WALL STREET

Charles F. Hodges

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By

Charles F. Hodges

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A practical text on the work of all departments of the brokerage house, with information for investors and traders. Part I covers the methods, routines, bookkeeping and accounting practices of the Cashier's Cage, the Bookkeeping, Margin, Stock Record, Dividend and Transfer Departments; the Clearing House, the Order, Trading, Statistical and Runners Departments; the Method of Making a Brokerage House Audit, and a Glossary of Terms and Definitions. Part II—What Investors Should Know.

By

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FOREWORD

The constantly increasing numbers of those who have become investors in the securities of the nation's industries in recent years has created a growing interest on the part of the investing public in matters pertaining to investments, in the work of Wall Street, and in the activities of the banking and brokerage houses in their handling of the financial work of the country. Of particular interest to the investor are those investment problems with which the investor is confronted in the selection of securities which will provide safety of principal, a good income, and prospects of appreciation in the value of his security holdings.

This interest has led to an increasing demand for information on the subject of investments, and has resulted during the past five years in the publication of many works on investment and finance which has made available a broad fund of knowledge to those desirous of becoming better informed on this rather complex subject.

In this literature are many volumes on the principles of investment, investment analysis, the management of investment funds, the analysis of financial statements, the work of investment trusts, the structure, operation and methods of the stock market, and on the subjects of finance and economics as related to the problems of investment. Included also in this literature are treatises on the effects of new industrial developments and changing economic conditions on security values; on the relation of the cyclical movement of business to investments, and the significance of such movements as providing opportunities for the more rapid enhancement of principal and income.

Therefore, while today the field of investment literature affords many works of great practical value to the investor, to the best of the author's knowledge there exists no work on the routine methods and practices employed by brokerage houses in the handling of securities, or on the mechanics of the transactions involved in the purchase and sale of securities for investment, speculative or trading purposes.

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In order to meet the need for a book covering this field Wall Street has been written. It represents the knowledge gained by the author in more than twenty-five years of active experience in connection with practically all departments of the brokerage business.

The volume is used as a text in the Wall Street Business School, and has been written primarily for those interested in obtaining a practical knowledge of the mechanics involved in the work of the modern brokerage house.

In this volume the author has treated in detail the work of the Order Department, the Bookkeeping Department and the Margin Department. The work of the Transfer, Dividend and Stock and Bond Record Departments are also covered, as well as the work of the Cashier, the Cashier's Cage, the Loan Clerk, the Clearing House Clerk, and the other activities of the brokerage house. In addition, the functions, organization and operation of the New York Stock Exchange and the Clearing House Corporation are also presented in such manner as to show clearly the work and the relation of these organizations to the work of the brokerage house. While, due to the differences in the size of the houses and the character of the business done, the organization set-up and routine methods of some brokerage houses may vary somewhat in detail, the routine methods and practices as presented herein represent the practices which are standard in the great majority of the brokerage houses.

Covering as it does, the practical working of these departments and organizations, it is believed that banking and brokerage houses generally will find this volume helpful as a work of reference, and that those at present engaged in carrying on the detail activities of these houses will find the work of considerable practical value in the handling of the problems which arise daily in connection with their work.

In addition, it is believed that the general investor and trader will also find that an understanding of the practices followed by banking and brokerage houses in the handling of investment and trading transactions will be of considerable value in enabling them to prevent the losses frequently sustained through oversights, mistakes or misunderstandings, in connection with their investment and speculative aetivities.

C. F. H.

CHAPTER I

The New York Stock Exchange

THE NEW YORK STOCK EXCHANGE

Functions and Services of the Exchange. How Orders are Handled. Government and Organization. History of Growth and Development. Listing of Securities.

The fundamental and basic function of the New York Stock Exchange is to distribute securities to investors and provide a ready market for their resale. In other words, it is a market place for securities. Securities are sold like anything else and in order to handle the work involved in their distribution in as efficient and economical a manner as possible marketing places or stock exchanges are established.

The average investor usually considers the stock exchange to be a place which exists primarily for the purpose of handling the transactions involved in the purchase and sale of securities. This, however, is only one of the functions performed by the Stock Exchange, for in addition to the routine handling of the large volume of transactions daily consummated through the facilities which it affords, it also performs many important economic functions in the life of the nation.

Through the machinery of the New York Stock Exchange large amounts of capital, as represented by the savings and surplus wealth of the nation, are continuously being received in Wall Street and redistributed throughout the country for use in connection with the development of the natural resources of the nation. The surplus funds accumulated throughout the different sections of the country come into Wall Street to be employed in the development of the many industrial enterprises which exist and which are being organized or expanded to supply the many wants and needs of the nation in the form of houses, clothing, food, automobiles, education, entertainment, et cetera. The capital thus received flows in to this Eastern capital market regularly from Texas, Maine, Minnesota, California and all of the other states of the country and is invested or loaned there on call. With equal regularity hardly a day passes but what the funds originally accumulated in Wall

Street and in the Eastern markets are sent out again to the South, North and West to be used in financing the rapidly developing business enterprises in these sections of the country.

In this work, as already stated, the New York Stock Exchange plays an important part. Through its facilities and organization the securities representing the capital to be employed in this manner are afforded a broad and ever growing market, and a market in which the Exchange Association employs its great power to maintain at all times fair and equitable principles of trade, and to protect the investing public from placing its funds in unworthy enterprises as far as its authority and powers allow.

The New York Stock Exchange of today is the result of a natural economic evolution extending back to 1792, and the transactions on its floor are at all times completely subject to severe competition from other security markets all over the world. A stock exchange represents merely a higher form of organization for marketing securities than that developed through unrestricted trading between individual houses, and because of their obviously superior services to the public, stock exchanges have increased in numbers and scope everywhere in the world by a natural process of evolution. There are now over 200 stock exchanges in the world, and over 20 in the United States alone.

The stock exchanges of New York, (including the New York Curb Stock Exchange, which is the second largest exchange in the United States) Philadelphia, Boston, Chicago, Pittsburg, San Francisco and those of the other cities where organized stock exchanges are maintained, represent the principal security markets of the country, although stocks and bonds are also bought and sold in considerable volume through agencies other than the organized exchanges. Generally speaking, however, the facilities for the purchase and sale of securities in what is known as the unorganized, or "outside market" are not as readily available to the average investor or trader, nor are the conditions in such markets as favorable to the maintenance of fair markets at all times as those of the organized stock markets.

Among the more important economic functions performed by the organized stock exchanges, and particularly as performed by the New York Stock Exchange, are the following:

1. The establishment of reliable, close and completely competitive security prices, and their instant distribution all over the country through the stock ticker system.

2. The superior ability of the Exchange to maintain its markets during periods of economic pressure, compared with the tendency of the "outside market" to suspend at such times.

3. The superior negotiability and availability for collateral purposes conferred by the Exchange on its listed securities.

4. The greater relative equality established on the Exchange between large and small buyers and sellers.

5. The greater amount of information concerning corporate securities made available to investors by the listing requirements of the Exchange.

6. The severe regulation of methods of purchasing and selling securities, and the ability of the market as a whole to discipline unfair actions by any of its members.

LISTING OF SECURITIES

In view of the importance of the listing requirements of the New York Stock Exchange as a protection to the investor it seems desirable to discuss here in greater detail the precautions which the Exchange takes in this connection.

From the beginning of this work it has been primarily in behalf of the American investing public that the listing requirements of the New York Stock Exchange have been formulated and enforced. The New York Stock Exchange is just as particular about the securities admitted to trading in its markets, as it is to the individuals admitted to its membership. As already stated, before a security can be traded in upon the Exchange, it must conform to what are known as the listing requirements of the Exchange. These requirements are undoubtedly the strictest and most extensive of any large Stock Exchange organization in the world. The financial structure of the applicant corporation must be explained in detail and complete statements as to its assets and liabilities, and its recent earnings, must be made. Moreover, even after a security has been admitted to trading on the Exchange, it must periodically publish earnings statements and balance sheets in the public press, so that the public can have the opportunity of studying them.

While the listing of securities on the Exchange is of considerable value to the investing public it is by no means a guarantee of the value of the securities there listed, nor any guarantee that certain of the securities at present listed may not depreciate in value, or that some day they may not be worthless. As a result of inventions, changing economic and industrial conditions, new wants and needs of the public, the securities of corporations that were once "gilt edged" may depreciate materially in value. With such changes ever taking place in industry there is no way for the investor to protect himself except by becoming informed on investment matters.

The ordinary investor very often refuses to study the problems of investment, or the complicated data connected with any given investment security. He wants a short cut, and he is only too likely to settle on listing by the New York Stock Exchange as a substitute for investigation and analysis on his own part. The Stock Exchange, of course, cannot essay the role of investment advisor. It has no voice in the management of companies listed on the Exchange. It has no means of telling in advance what corporation managers may do, or what special economic tendencies may arise in American business, both of which are determining factors in the success or failure of almost any security investment. It is also impossible for the Stock Exchange to verify completely the accuracy of the statements made to it in the listing applications of the business corporations. Little difficulty is as a rule experienced from this source, although in specific instances incorrect statements have been foisted on the Stock Exchange no less than on the investing public. Under these circumstances, the fact that a given security is listed on the New York Stock Exchange should not be taken by the investor as any guarantee or special endorsement of the security by the Exchange.

The work of handling applications for listing involves three distinct phases, each of which plays an important part in the listing process. At the outset the applicant company, as represented by its own officers, its counsel or its bankers, is furnished by the Committee on Stock List with three separate forms to be filled out and submitted to the Committee.

The first form, known as the "distribution statement," requests the company to state the various amounts of its shares held in blocks of different sizes from 100 to 1,000 shares and up, and also the number of shares held by the ten largest stock-

holders of the concern. The Stock Exchange is not interested in who the stockholders are, but it requires assurance that the shares shall be sufficiently distributed before listing to permit the establishment of a free and open market for the new security on the Stock Exchange. With the same purpose in view, the company is required to give assurance that "all stock is free for sale and is held under no syndicate, agreement or control." Because of this requirement by the Exchange that new stock issues applying for listing upon it must already have a fair preliminary distribution, it is sometimes necessary for very sound companies to list and distribute their shares on the New York Curb market, or on some other preliminary market, prior to their admission to the floor of the New York Stock Exchange.

The second form, called the "questionnaire," contains a series of questions whose answers establish the relationship to the corporation of the person or persons applying for a listing, and other miscellaneous matters. On this form the New York Stock Exchange endeavors to secure the agreement of the applicant corporation to publish quarterly statements as to its earnings. Some companies, however, object to issuing quarterly earning statements, on the ground that it would place them at a disadvantage with competing concerns who did not do likewise. Also, concerns having foreign properties or subsidiaries sometimes complain that the making of such frequent earning statements involves serious practical difficulties. Another common objection is that some concerns do a very seasonal business, with large earnings at one period of the year and with low earnings or actual deficits in other months, and that consequently the publication of the quarterly earnings of such corporations would tend to alternately excite and alarm shareholders and lead to unnecessary price fluctuations and speculation in the shares of these companies on the Exchange.

The third document involved in applying for listing on the New York Stock Exchange is known as the "list of requirements." This contains the rules governing the preparation of the actual security certificates for which contracts are to be made on the Exchange floor. When it is realized that the aggregate listings on the Exchange today, exclusive of U. S. Government bonds, amounts to over fifty billions of dollars, it will be readily appreciated that great care must be exercised against forgeries of listed stock and bond certificates. The

New York Stock Exchange has not gone so far as to engage directly in the business of printing and engraving security certificates, but it has insisted that only engraving companies officially approved by it may prepare stock and bond certificates which are to be listed on the Exchange.

In connection with the preparation of the listing application, the Committee on Stock Listing stands ready to assist the applicant company by explaining the technical provisions of the requirements. In this regard, the listing requirements form contains the following definite and significant statement, "The employees of the Committee on Stock List are instructed to assist in the preparation of applications to list whenever so requested. No charge will be made for such service."

When the application is finished, it is submitted by the Company to the Committee on Stock List, which sets a date for a hearing upon it. A notice is at once posted on the Exchange Floor, in order that Exchange members who have any knowledge concerning the issue under consideration can impart it to the Committee, and thus assist the latter in its deliberations on the subject. On the date set, the representatives of the applicant company appear before the Committee on Stock List, and after the hearing the Committee gives or withholds its approval of the issue for listing. If the issue is approved by the Committee on Stock List, the application is then placed before the Governing Committee of the Exchange with the recommendation that the application be granted. The Governing Committee completely retains its power to hold up or refuse its approval in the matter, and not infrequently exercises this power.

The approval of the Governing Committee is the final authoritative step necessary in the Exchange for the listing of a new security issue. Generally a notice that the listing application has been granted is sent out over the ticker, the new security is assigned to a trading post on the floor and is given a ticker symbol, and trading in it starts the day after the action by the Governing Committee. In some cases, however, special circumstances make it desirable to delay the beginning of trading in the new issue until some subsequent date.

The work of the Stock Exchange is not, however, concluded after the new security has been officially listed. The Stock Exchange must see that the corporation lives up to its agreements in the matter, particularly with respect to the publica-

tion of current earnings. The New York Stock Exchange makes no attempt to keep a permanent file of earning statements, balance sheets, or other such material. It, in fact, refuses to receive any statements from the corporation which cannot be made available to its stockholders or the public. The aim of the New York Stock Exchange in its continuing supervision along this line, is to see that listed corporations publish their earnings as promptly and fully as possible, and thus make them available to everyone in the country on an equal basis.

In its agreement with a corporation listing securities on its floor, the New York Stock Exchange always retains the complete right to suspend trading in any issue at will, or even to strike any issue permanently from its list.

A final factor in the daily work of the Stock Exchange in connection with its listing lies in supervising the constant changes in the amounts of the many issues on its list. This involves a huge amount of technical detail. The amount of securities listed changes constantly, not only by whole issues admitted or stricken at one time, but also by small amounts of issues already listed, added or withdrawn from the list. Between 40 and 80 different listed issues change their amounts on the list in this way every day. Bond amounts are reduced by such factors as conversion and sinking fund retirement, while stock issues may be expanded by rights and stock dividends, and either increased or decreased by exchanges of securities during reorganizations. The Stock List Committee must keep in touch with the registrars of over 1,000 separate stock issues alone, in order to safeguard the public interest by a proper supervision of changes which, often inconsequential in themselves, are of great significance in the aggregate.

HOW ORDERS ARE HANDLED

The large volume of orders which come daily into the New York Stock Exchange are received from all sections of the United States and all parts of the world. To illustrate the progress of these orders through the machinery of the Exchange we will explain here the progress of an order from the time it is placed until the last operation in its execution has been completed. To assist in clarifying this description, outlining the course of a transaction through the complexities of this highly organized market, we present in the following

pages a diagram of the interior of the New York Stock Exchange showing the Telephone Booths, Trading Posts, Ticker Transmitters, Annunciator Call Boards, Money Desk and the Pneumatic Tube Stations.

For the sake of simplicity, we will suppose that you, the reader, are in a Chicago branch office of the New York Stock Exchange firm of John Doe & Company, and wish to buy one hundred shares of Hudson Motors common stock at the current market price.

Your first action will be to fill out a buying order on a form provided by the brokers, instructing them to buy one hundred shares of Hudson Motors "at the market." Your written order is recorded by an order clerk and immediately transmitted over the broker's private telegraph wire to their New York Office. Here it is received and turned over to an order clerk who transmits it at once to the Exchange floor over a private telephone. The floor telephone is situated in one of the many telephone booths indicated by "A" in the accompanying picture of the interior of the Exchange. These telephones are served by clerks employed by the members.

As the telephone clerk receives your order over his telephone he writes it on an order slip and at the same time presses a button in his booth, which operates a number on the great black annunciator board "D." This number has been assigned by the Exchange to the floor member of your brokerage firm and signals him to his booth.

Execution of an order. With your order in his hand your broker must buy for you one hundred shares of Hudson Motors at as low a price as they can be bought in the market at that time. In a word, he becomes your representative on the floor of the Exchange and must act in your behalf according to his best judgment.

Trading Posts. Bids and Offers. When Hudson Motors stock was listed on the Exchange, it was assigned to "post" two (the post in the foreground marked "B"). This post then became the market for Hudson Motors. Similarly, each of the several trading posts throughout the room is the market for twenty or thirty different stocks. On his arrival at post two your broker hears Hudson Motors being offered at 142¼ ($142.25); he also hears another broker bidding 142⅛ ($142.12½) for it. Thus

he is at once informed of the true market for the stock, which is, $142.12½ a share bid, offered at $142.25 a share.

Buying the Stock. As your broker has authority to buy the stock for you "at the market" or at the lowest price at which it can be had, he says to the broker offering to sell at 142¼ ($142.25): "Take it," and the transaction is made. No written agreement or memorandum of any kind is exchanged by the contracting brokers. All contracts made on the floor of the Exchange, involving in the aggregate, frequently upwards of three hundred millions of dollars in a day, are made in this apparently informal way and yet such contracts are always held inviolable by members of the Stock Exchange.

Transaction Reported. Your broker sends to his telephone clerk a memorandum report that he has bought 100 Hudson Motors at 142¼ ($142.25) from Richard Roe (another broker). The clerk promptly telephones the report to the office, and it is telegraphed to the Chicago branch office. So swiftly does all this take place, that there are instances in which orders given in San Francisco have been executed on the floor of the Exchange, three thousand miles away, and reported back to the customer within sixty seconds of time.

The Exchange a National Market Place. Since branch offices and correspondents of Stock Exchange firms can be found in practically every city of size in the United States, it will thus be seen that the Exchange to all intents and purposes succeeds in bringing to its floor, face to face, all investors in the land interested in buying or selling listed securities.

Deliveries and Payments. The contract which your broker closed when he said the words, "Take it," obliges him to receive before 2:15 P. M. on the full business day following, a certificate for 100 shares of Hudson Motors Stock and pay $14,225 for it. In the meantime the Chicago branch office mails you a memorandum of the transaction, stating that they have bought "for your account and risk in accordance with the rules of the New York Stock Exchange" 100 Hudson Motors at 142¼ ($142.25).

Commissions. If you are buying the stock outright, you will pay, on the day following the purchase, the full amount of your

purchase price, plus the broker's commission. If you so direct, the branch office will then instruct the home office in New York City to have the certificate transferred to your name. Should you sell your stock at a later date, your broker will pay you the proceeds of the sale, less the commission and the Federal and State sale taxes.

Tickers. Standing in the "Hudson Motors crowd" at the moment your stock was bought, was one of the official reporters employed by the Exchange. When the transaction is effected, that is, when your broker and the selling broker have agreed on quantity and price, the reporter makes a memorandum of the sale on a slip of paper, reporting the transaction like this: HMT142¼, meaning one hundred shares of Hudson Motors sold at $142.25 a share, HMT being the symbol for Hudson Motors. The slip of paper is at once placed before one of the five ticker operators stationed at sending stations on the floor and he flashes it over the ticker instruments located in members' offices in the Wall Street section of New York City. The Western Union Telegraph Company, under agreement with the New York Quotation Company, picks the quotation up from one of these tickers and flashes it over its ticker system, serving the principal cities in the United States. Thus you, in the Chicago branch office, and countless others, see the printed report of your purchase on a normally active day a few moments after your stock has been bought in the open market. This instant and broad publicity given to transactions on the Exchange makes deception in regard to market prices of listed securities practically impossible.

Margin. When you bought your 100 shares of Hudson Motors at 142¼, we assumed that you had the money to pay for them. Let us now suppose that instead of the $14,225 involved you had only $4,000, but still wanted to buy 100 shares, believing that the price would rise in the future, so that you could sell at a profit, or intending to hold it as a good investment with the expectation of paying the balance from time to time out of your savings.

The machinery of the Exchange recognizes no difference between the two transactions. The purchase on the floor, the delivery and payment on the business day next following, go forward identically in both instances. The difference appears in

your relations with your broker. In the first instance you paid your broker the purchase price of the stock, plus the commission; he delivered the certificate to you and the transaction was closed. In the second instance, however, you only paid your broker $4,000 (called "margin"), leaving a balance of $10,250, including the commission, which you still owe him. Instead of delivering your certificate to you, it is held by the broker as collateral to secure the balance which you still owe on your purchase.

If you bought real estate worth $14,225 instead of securities, the arrangements would be substantially the same. You would have had to borrow the $10,225 and pledge the property to secure the lender in the repayment of the loan.

Unit of Trading. The 100 shares you have just bought constitute a unit of trading. If you had bought less than 100 shares, say 25 shares, the process would have been somewhat different.

The volume of business done on the Exchange and the practical problems of handling and reporting it with the greatest economy of effort and the smallest risk of error have made the adoption of 100 shares as the unit of trading a matter of necessity except in the case of comparatively inactive stocks where a ten share unit of trading has been adopted. The bidding and offering in the open market is done in the unit of 100 shares or multiples thereof, and these constitute the reported transactions. In addition, however, there is a vast amount of business in lots of less than 100 shares which is not reported, but which it is estimated runs as high on occasions as one-third of the market for 100 share trading.

Odd Lots. Your order for 25 shares of Hudson Motors reaches the telephone clerk in the same way as did the 100 share order but from then on it is handled differently. There are several large firms that specialize as dealers in fractional lots commonly known as odd lots. They have no dealings with the public but stand ready to buy from or sell to other brokers any number of shares up to 99 of any stock listed on the Exchange at a difference of from ⅛ to ¼ away from the next open market transaction or on the bid and offer. The clerk writes out the order as before, only instead of signalling your broker, he writes the name of an "odd lot" firm on the back and hands it to a tube attendant. Pneumatic tubes connect stations at the ends

of telephone stalls with every post. The tube attendant folds the written order into a cylindrical container, which is sent to the Hudson Motors post, where another attendant hands it to a representative of the "odd lot" firm to which it is addressed.

With your order to buy 25 shares at the market in his hand, the "odd lot" dealer waits for the next 100 share transaction. If it is at 142¼ ($142.25), he sends a report to your brokers that he has sold to them 25 shares of Hudson Motors at 142⅜ ($142.37½).

Specialists. In each of the cases just discussed, your orders directed your broker to buy "at the market," meaning at the lowest price obtainable when your order reached the floor. But let us suppose that you thought by being patient you could buy it lower than the price then current. You are willing to pay $140 per share but no more. You then give your broker a G. T. C. (good 'till cancelled) order to buy 100 shares of Hudson Motors at 140. Your limit price now being several points away from the market, it may be a matter of days or weeks before it is reached. With hundreds of similar orders on his books and many more at or close to the market, it would not be possible for your broker to keep track of them all. He therefore usually gives out limited orders away from the market to specialists, who execute them exactly as the broker would. Thus your order to buy at 140 would be sent by your brokers' telephone clerk through the pneumatic tubes to the Hudson Motors post where it would be handed to a specialist in Hudson Motors. Specialists are members who remain at one post and execute orders for other members in stocks listed at that post. The specialist enters your order on his book and there it remains in the order in which it was received until you countermand it, or until the quotation of Hudson Motors declines to your price and the order is executed.

DIAGRAM SHOWING ARRANGEMENT OF EQUIPMENT OF THE NEW YORK STOCK EXCHANGE

A. Telephone Booths—Containing private telephones connected with Stock Exchange members' offices.

B. Trading Posts—As stocks are admitted to the board for trading they are assigned to one of these "posts." Thus the brokers with orders to execute in Hudson Motors stock assemble at Post No. 2.

C. Ticker Transmitters—As transactions are made, reporters on the floor (recognized by their uniform caps) report the sales to ticker operators. These operators at once send them over the ticker system by means of the typewriter-like electrical sending machines before them.

D. Annunciator Call Boards—The white numbers are operated from the telephone booths. When a broker is wanted, his telephone clerk signals him by pressing a switch in his booth which drops the broker's signal number.

E. Money Desk—Offerings of money to loan on collateral security are received from the banks by the Money Clerk stationed there. Brokers desiring to borrow money are accommodated in order of their application.

F. Pneumatic Tubes—Connecting telephone booths with the trading posts. By means of these tubes messages can be sent instantly by the telephone clerks to any post on the floor.

Only members of the Stock Exchange are admitted to the floor for trading. Telegraph operators are distinguished by their uniform caps; pages and guards, by their uniforms. Telephone clerks employed by members are not permitted to leave their booths. Members on the floor of the Exchange wear badges giving the member's name, firm or clearing name.

ORGANIZATION

The New York Stock Exchange is a voluntary association of its members, established for the purpose of providing themselves a free and carefully regulated market for the purchase and sale of securities. It is operated under the provisions of its constitution and by-laws which constitute a contract between its members. The membership of the Exchange is limited by its constitution and cannot be increased except by action of the Governing Committee subject to the approval of a majority of the members.

For fifty years, from the year 1879 up to February 7, 1929, the membership of the exchange has remained at 1100, but on February 7, 1929 the members of the exchange approved the sale of 275 new "seats" or memberships, and each member was at that time given the right to subscribe to one quarter of a new membership which he could dispose of within three years by sale or transfer. This will increase the membership to 1,375.

The Exchange is neither a partnership or a corporation. It has a constitution and by-laws but no charter. The association has no capital and has issued no property rights of any kind to its members. The Exchange is unlike a partnership in that the death, withdrawal, or removal of a member does not affect its life.

Each member voluntarily enters the association by its permission, and since he acquires no profit rights in the association, and since the association has asked no special favors from the state and has received none, it has the right to discipline and expel its members as it sees fit.

As defined in its constitution the objects of the New York Stock Exchange are "to furnish exchange rooms and other facilities for the convenient transaction of their business by its members; to maintain high standards of commercial honor and integrity among its members; and promote and inculcate just and equitable principles of trade and business."

Firms having as a general partner a member of the Exchange are entitled to have their business transacted at the rate of commission prescribed for members. A firm of which one of the partners is a member of the Exchange may be registered on

the Exchange and contracts may be made there in its name, but no one is permitted to transact business on the floor except the individual member of the Exchange. Each member who represents a firm is as responsible for the conduct of the firm as though it were his individual conduct.

The present membership of more than 1,200 is represented by several hundred firms, who probably have close to 4,000 partners. Usually a firm may have not more than one partner in the Exchange but there are many which have two or three and some which have as many as six or eight partners who are members of the Exchange. Of the more than 1,200 members of the Exchange not all are brokers. Members who do not act themselves as brokers, employ brokers, and, of course, as members of the Exchange they obtain a lower rate of commission than they could as outsiders.

Government and Governing Committee

Government and Officers. The government of the Exchange is vested in a Governing Committee, which consists of President and Treasurer and forty members. The members of the Governing Committee, the Assistant to the President, the Secretary, the First Assistant Secretary, the Accountant, and the Economist are all officers of the Exchange.

Governing Committee. The Governing Committee is vested with all powers necessary for the government of the Exchange, the regulation of the business conduct of its members, and the promotion of its welfare, objects and purposes, and in the exercise of its powers, it may adopt such rules, issue such orders and directions, and make such decisions as it may deem appropriate. It deals directly with all the larger questions of policy and is the tribunal that tries all charges against members of the Exchange. The details of the government of the Exchange are in the hands of various Standing Committees made up of members of the Governing Committee.

The Governing Committee has control of the property and finances of the Exchange, and may appoint, dismiss and determine the number, duty and pay of employees. It may also require that officers, appointees, or employees give good and sufficient bonds for the faithful performance of their duties.

Rules. The constitution of the Exchange further provides

that the Governing Committee shall prescribe rules for dealing on the Exchange. It shall prescribe rules as to contracts, the performance thereof, default, and insolvency, which shall be applicable to Exchange contracts, and may extend or postpone the time for the performance of Exchange contracts, whenever in its opinion such action is called for by the public interest or by just and equitable principles of trade.

The List. The Governing Committee may admit to dealing upon the Exchange, securities, and also securities on a "when issued" basis, and may suspend dealing therein, or may remove the same from the list.

Corners. Whenever in the opinion of the Governing Committee a corner has been created in a security listed on the Exchange, or a single interest or group has acquired such control of a security so listed that the same cannot be obtained for delivery on existing contracts except at prices and on terms arbitrarily dictated by such interest or group, the Governing Committee may postpone the time for deliveries on the Exchange contracts involved, and may from time to time further postpone such time or may postpone deliveries until further action by the Governing Committee. Where delivery is not made in accordance with the ruling of the Governing Committee in such cases, the contracts are settled at what is deemed a fair settlement price. If the parties to the contract do not agree on a fair settlement price the Governing Committee may establish what it deems a fair price and the date for the payment of same. In such cases the Governing Committee before fixing the same will give the parties to the contract which is to be settled in this manner, an opportunity to be heard either before the Governing Committee, or before a Special Committee appointed for the purpose.

Quorum. Fifteen members of the Governing Committee are necessary to constitute a quorum for the following purposes: 1—To admit to dealing upon the Exchange securities or securities on a "when issued" basis; 2—To suspend dealing in or to remove from the list any securities or securities on a "when issued" basis admitted to dealing upon the Exchange; and 3—To extend or to postpone the time for the performance of Exchange contracts, whenever in the opinion of the Governing Committee such action is called for by the public interest or by

just and equitable principles of trade. For all other purposes, a majority of all the existing members of the Governing Committee shall be necessary to constitute a quorum.

The foregoing description of the Governing Committee outlines briefly some of the principal powers of this committee, and we will now consider the work of the Standing Committees, which committees, as stated previously, handle the details of the work involved in the government of the Exchange.

STANDING COMMITTEES

The constitution provides for twelve standing committees, the membership and duties of which, are as follows:

1. Committee on Admissions. This committee, consisting of 15 members, handles all applications for admission or readmission or reinstatement after suspension, and also examines the cause of every insolvency in the membership. The committee's favorable action on admissions, readmissions or reinstatements requires the affirmative vote of at least ten members.

2. Arbitration Committee. All matters of difference arising from Members' Contracts between members of the Exchange or firms registered on the Exchange shall be brought before this committee consisting of nine members. Any claims or matters of difference between a member of the Exchange and a non-member are handled by this committee, and may be referred to it by the non-member. The decision of the Committee shall be final except that an appeal may be made by a member of the Committee to the Governing Committee. In cases of dispute where the sum involved is $2,500 or over, one of the parties concerned may within ten days appeal directly to the Governing Committee. In matters of difference submitted by a non-member, before considering the claim or difference, the Arbitration Committee may require the non-member to comply with such terms and conditions as it may deem proper, thus obligating him to abide by the decision.

3. Committee of Arrangements. This committee, consisting of seven members, has the following powers and duties:

It is required to make and enforce rules and regulations for the convenient transaction of business upon the Floor of the

Exchange, and the methods of dealing thereon not specifically referred to other committees. It has general care and supervision of the Floor and the premises of the Exchange and of all connection and communication apparatus such as telegraph, telephone, wireless, messengers or other devices of this character used in transacting the business of the Exchange. It is also the duty of this committee to provide for the comfort of members and employees of the Exchange; to maintain order and see that the methods of conducting the business on the Floor do not obstruct or retard business and are conducive to the proper handling of the business of the Exchange. It may admit or exclude from the floor of the Exchange or its premises those who, in its opinion, should be admitted or excluded.

4. Committee on Business Conduct. It is the duty of this Committee, consisting of five members, to consider matters relating to the business conduct and financial condition of members and their customers' accounts; and to observe the course of transactions on the Exchange, with the view to seeing whether resort is being had to improper transactions. It has the power to investigate the dealings, transactions, and financial condition of members, and to examine their books and papers; and to report to the Governing Committee any matter which in its judgment requires the consideration of that Committee.

5. Committee on Constitution. This committee, which consists of five members, handles all matters involving proposed additions, alterations, or amendments to the Constitution, and is required to report back to the Governing Committee after due consideration has been given thereto.

6. Finance Committee. This committee consists of seven members and is required to meet at least once in each month, examine the accounts and vouchers of the Exchange, and report the result of its examinations to the Governing Committee. It submits to the Governing Committee each year a statement or budget setting forth the estimated income and appropriations for expenses of the Exchange for the following year, and is required to report and make recommendations as to the financial policy of the Exchange.

7. Law Committee. This committee deals with matters of law affecting the interests of the Exchange, and acts also in

an advisory capacity to the President when requested by him. It also represents the Exchange in all matters affecting its general interests, and is authorized and empowered, in its discretion, to examine into the dealings of any member of the Exchange.

8. Committee on Odd Lots and Specialists. This committee, consisting of five members, has general supervision over dealings in lots of stock of less than one hundred shares and the methods of the specialists. It formulates and submits to the Governing Committee for its adoption rules and regulations with respect to these matters, and requires the observance of these rules when they have been adopted.

9. Committee on Publicity. The five members of this committee, under the direction of the President, exists for the purpose of keeping the public informed concerning matters of public interest having to do with the Exchange.

10. Committee on Quotations and Commissions. This committee, of nine members is charged with the responsibility of seeing that the provisions of the Constitution and of the rules adopted in accordance therewith, relating to commissions, partnerships, offices of members whether main offices or other offices, and to foreign joint-account arbitrage are observed, and is required to report to the Governing Committee any violations in these matters. It is required to report to the Governing Committee any partnership or any condition existing in an office which may appear to be detrimental to the interest or welfare of the Exchange. In addition this committee has charge of all matters relating to the collection, dissemination and use of quotations, and may approve or disapprove any application for quotation service to a non-member, or for telephonic or telegraphic wire or wireless connection between the office of a member or a member's firm and the office of any corporation, firm, or individual not a member of the Exchange, transacting a banking or brokerage business. It also has the power to disapprove the furnishing of any such quotation service or any wire or wireless connection, and to require the discontinuance thereof. It further may inquire into wire or wireless connections of every kind whatsoever between the office of a member and any member or non-member, and may require the discontinuance of any such connection. The work

of this committee has been quite effective in preventing the misuse of information, and it has done much to raise the standards of houses receiving stock quotations in recent years.

11. Committee on Securities. This committee, consisting of five members, makes the rules relating to the delivery of securities on Exchange contracts, including reclamations therefor, irregularities therein, and pertaining to interest and dividends thereon; to due-bills and contracts for future delivery; to deposits on Exchange contracts, and decides all questions arising out of such subjects. It also permits dealing in rights growing out of securities already listed on the Exchange; and may make regulations concerning any rights in which dealing may be permitted.

12. Committee on Stock List. One of the most important services of the Exchange in so far as it affords protection to the investing public with respect to the securities in which they are invited to invest is that represented by the work of this committee. Any Corporation desiring to list its securities on the New York Stock Exchange must meet the requirements of the Exchange in this matter, and since these requirements are without doubt more strict than those of any other Exchange in the world, the investing public is accordingly afforded a measure of protection of much value to the investor who takes the trouble to properly inform himself concerning the financial position and prospects of the corporations listed on the Exchange in whose securities he may be interested.

This committee, consisting of six members, receives and considers all applications for placing securities on the list of the Exchange, on which it reports and makes recommendations to the Governing Committee. It makes the rules prescribing the requirements for listing and such other rules and regulations in relation to the listing of securities as may be deemed expedient or necessary. In its discretion it permits dealings on a "when issued" basis in (1) Certificates of deposit or interim receipts for securities, (2) in securities of a corporation, the securities of which are already listed on the Exchange, or (3) in securities growing out of securities already listed.

Obligations of the Government of the United States, or of any State, County or City of the United States, and the external dollar bonds of a foreign government may be placed upon the List without report and recommendation to the Gov-

erning Committee. This committee also has the power to direct that any security listed upon the Exchange be removed from the List and further dealing therein prohibited upon maturity of such security, or when it shall appear that the outstanding amount of the security has become so reduced as to make inadvisable further dealing in it upon the Exchange.

In addition to the committees already mentioned there is also a Conference Committee, which consists of the President, Vice President and Treasurer, and the Chairmen of the Committees on Admissions, Arrangements, Business Conduct, Law, Odd Lots and Specialists, Publicity, Quotations and Commissions, and Stock List. This committee hears reports from the various Committees and from others; advises with them concerning questions affecting the welfare of the Exchange, and recommends to the Governing Committee such action as in its opinion will prove beneficial to the Exchange.

HISTORY

The New York Stock Exchange has existed as an important factor in the financial activities of the nation for almost 150 years, having been established as an organized association in the latter part of the 18th century. It had its origin in the financial needs of a young Republic. Prior to the Revolution, securities were practically unknown in the United States, but the first Congress in 1790 authorized the issue of eighty millions of dollars in bonds which were promptly absorbed by investors. At about the same time three important banking institutions were incorporated and their stock sold to the public.

The sale of these securities created a demand for a market and one was promptly developed under a buttonwood tree which stood at what is now known as No. 68 Wall Street. The present Stock Exchange traces its origin to a group of a dozen men who held daily meetings under this tree and who were the first stock brokers in the United States.

It was in 1792 that a formal organization was effected. By this time the small group of brokers had increased to twenty-four in number and they signed an agreement binding themselves to certain regulations and restrictions in the matter of commissions for the execution of orders and in their dealings with one another.

The debt of the United States Government was increased as a result of the War of 1812, and this, quite naturally, broadened the scope of the securities market, and subsequently the rapid industrial development of the growing nation and its investment requirements made it necessary to recognize that market. In 1817 rooms were engaged at No. 40 Wall Street, and it was there that the first indoor securities market in the United States began to function under a constitution and set of rules. This first constitution provided that "any member making a fictitious sale or contract shall, upon conviction thereof, be expelled from the Board." This prohibition has ever since been a part of the constitution of the New York Stock Exchange, and some years ago that principle was embodied in the laws of the State of New York.

For the next half-century the development of this market was steady and it was moved from time to time as the need for larger quarters in which to handle the growing business made it necessary. Early in 1863 the title of the Exchange was changed from the "New York Stock and Exchange Board," to the "New York Stock Exchange," and a few months later the New York Stock Exchange Building Company was organized to provide a permanent and commodious home for the market.

During this period of development in the securities market, rapid progress had been made in the industrial life of the nation. The adoption of steam power and the rapid construction of railroads necessary to open the vast and almost unknown areas in the western section of the country naturally resulted in a large volume of corporate securities which, in the main, found their way to the New York Stock Exchange as the single free and open market in the entire country.

Inasmuch as the building of railroads was the outstanding factor in the economic and physical development of the country of that day, it was natural that the Stock Exchange should become the principal market for railroad securities. At the same time business was done in bank securities, in Government bonds, and, in smaller volume, in the securities of a few industrial concerns. It was not long, however, before there was a great broadening movement in the securities field, for in pushing ever farther into the west the boundaries of American civilization, the pioneers of the day were building cities, erecting factories and requiring more and more investment capital

with which to carry on their task. First came the need for gas, then electricity, then the telephone, and so there was evolved another new type of security—the public utility issue, which has since taken its place alongside of the railroad and the industrial security as a means of investment.

In the latter part of the nineteenth century the evolution of manufacturing industries into large scale corporate units proceeded swiftly and added enormously to the demands upon the securities market. As a result, the Stock Exchange was once more compelled to take steps toward securing more ample quarters.

The opening up of the vast resources of the west by the railways, and the increased production made possible by steam power, created a great deal of new wealth which was distributed into many hands. This new capital found its way into various fields of investment, and increasingly large new issues of securities were steadily absorbed by the public. This meant a constant broadening of the market for securities on the New York Stock Exchange and not only was it found necessary to utilize larger quarters, but also to perfect a higher degree of market organization. The former record of 70,000 shares had gone and in its place was the million-share of this period which required new methods and new machinery.

As soon as genius developed electrical means of communication, telegraph instruments, telephones, stock quotation tickers, etc., became a part of the machinery by means of which the investment security business of the nation was conducted. The present elaborate wire systems of Stock Exchange members permit customers in distant parts of the country to have their business transacted on the Exchange with the same facility as residents of New York City. More than 100 members of the New York Stock Exchange reside in other cities and handle business for their customers in those sections.

In the meantime, paralleling and keeping pace with the growth of the market, the Exchange expanded its code of rules and regulations requiring still higher standards of commercial honor and integrity from members in their dealings with the public.

The present 22-story building occupied by the New York Stock Exchange, completed in 1922, was erected under the pressing necessity of providing additional facilities to take

care of the sudden growth of investment demand which grew out of the World War. The increased board room space which was thus provided has been still further augmented by the purchase in 1928 of the two adjoining buildings, the Blair Building and the Commercial Cable Building, giving the Exchange about 6,000 square feet additional floor space. The Stock Exchange now controls, by ownership and long term leases, the entire city block of property bounded by Wall Street, Broad Street, Exchange Place and New Street.

During 1928 and the years immediately preceding, the prosperous condition of the country during this period has been generating new capital, in the hands both of individuals and of business institutions of many kinds. This new capital sought outlets in many different directions; some of it flowed directly into listed security investments, while some gravitated into bank deposits (especially time but also demand deposits) with the result that American commercial banks have found themselves as never before faced with the problem of directing the investment of capital, in addition to their traditional task of creating and lending credit for commercial purposes. In addition in recent years the United States has become a creditor nation with the problems arising from the possession of this surplus capital. One million share days have long since given way to three million share days, which have been in turn superseded by five and six million share days, and recently, (in 1929) the volume of transactions for a single day has reached the figures of ten, twelve and sixteen million shares. In 1900 the number of bond issues listed on the Exchange was 839 and of stocks 377. By 1915 this number had increased to 1,096 issues of bonds and 511 issues of stocks, while by 1929 the number of bond issues had increased to 1,540 and the number of stocks listed to 1,200.

CHAPTER II

Order Department

ORDER DEPARTMENT

To the casual observer the order department appears to consist mostly of noise and confusion, but to the order clerk there is very little of either as he has accustomed himself to concentrating on the particular phone he is working to such an extent that he is unmindful of the noise about him. He does not see any confusion but quite the opposite as the order department must necessarily have an elaborate system and one that will stand up under the strain of big business.

It is in this department that contracts are made and must be kept regardless of cost, for if one hundred shares of United States Steel should be sold at 260 in error, then the firm is short that amount, which must be bought immediately at the best price obtainable, which, let us say is 265. Therefore the firm has lost $500 on this error.

It can plainly be seen that the system in this department must be as nearly perfect as possible in order to protect the firm from these costly errors, which cannot be adjusted as in the work of other departments by the transferring of figures or by the more simple method of cancelling an entry made in error.

Equipment

The modern order department usually consists of four wires to the floor of the New York Stock Exchange; one for the transmission of round lot orders (which are orders for 100 shares or more); one for the reports returning from the floor; one for the odd lot orders (that is, orders for any amount less than 100 shares); and one Curb wire for the transmission of orders in stocks which are traded in on the New York Curb Exchange.

There is also a monitor board; that is a switchboard, which consists of a wire to the individual customers who are in a private room in the inner office of the brokerage concern, a wire to one or two members of the firm who may have occasion to

put in orders; also wires to various other brokers such as curb, bond, etc., who are clients of the firm. A monitor board will also sometimes connect the various houses specializing in odd lot orders. In addition, there are telegraph wires to the out of town offices.

Branch Office Orders

For the handling of orders from the branch offices, as a general rule the phones are so connected, or wired, that the phone in the branch office, the instrument in the main office, and the one on the floor are all on one direct line. One ring from the branch office brings the clerk on the floor in on the 'phone, or vice-versa; three rings brings the main office in on the 'phone or vice-versa. Now, for example, when the branch office wishes to enter an order, the clerk in the branch office rings the phone once and says to the clerk on the floor, "Buy 100 Steel at the market," which, of course, is repeated back. Then the clerk on the floor immediately gives this to a broker who goes to the post and executes the order. The report is given to the floor clerk who rings the branch office 'phones and says "bought 100 Steel at 250." After the clerk in the branch office has accumulated several orders which have been executed he rings the main office and gives the report to the clerk, which, in the above case, would be, "Bought 100 Steel at 250", the name of the customer, or in some cases the number of the customer's account.

Filing and Handling Orders

In order to quickly locate the orders which have been received it is, of course, necessary to have a place in which to put them, and for that purpose there are racks in which the orders are filed alphabetically according to the name of the stock. The arrangement for this usually consists of a rack in front of each phone, this rack being used for orders that come in that day. There is also, either a rack box or cabinet, which contains the open orders which have come in before and which are still in force, but this rack is of course separate from the rack in front of the clerk which is used for the business that materializes that day. We now have the set up of the modern order department. To realize how this system operates it will be necessary to illustrate the manner in which the orders are

handled from the time a customer enters his order to the time when he receives a report on it. A description illustrating the procedure followed in executing an order follows:

Let us say that James R. Brown enters an order, either by telephone or in person, to purchase 100 shares of U. S. Steel regardless of price. The order clerk writes on the "Buy" pad, as follows: 100 U. S. Steel (X) at the market, Jas. R. Brown. This order is given to the clerk operating the 100 share wire, who time stamps it, phones it to a clerk located on the Exchange, and then puts it in the rack. The floor clerk repeats it as he writes it on a slip (which has the firm name and the booth number on it) and hands it to a broker who goes to the post where U. S. Steel is being traded in and buys 100 shares U. S. Steel (X) for Mr. Brown at 265. The broker then fills out a report and gives it to the clerk from whom he received the order. The report is transmitted to the office, the order taken out of the rack; price filled in and the customer then informed that the 100 shares of U. S. Steel was purchased for him at 265. This executed order is then forwarded to the various other departments. This particular order that Mr. Brown entered is known as a "market order," on which the customer, promptly receives a report, usually within three minutes after he has entered such an order, which, considering the number of clerks handling it and the number of operations performed in executing it as it passes through the office is a remarkably short time, and indicates the efficiency of the system developed by the modern brokerage house in handling such orders, and in handling its routine business generally.

Classification of Orders

It is the varying types of orders such as Stop, Market, Limit, Day, Contingent, Good Through a Given Date, Immediate or Cancel, Cancellations, Requests for Reports, and Open Orders that complicate the work of the Order Department.

A Stop Order is the one that is automatically executed when the market reaches the price specified. For instance, Mr. Brown is willing to lose $500 only on his Steel stock that he has just purchased. He therefore puts in an order to sell one hundred shares at 260 stop, which means that the first time United States Steel sells at 260 it automatically changes his stop order

to a market order and the stock is sold at the best price obtainable.

A Market Order is described under, Filing and Handling Orders.

A Limit Order is one in which the customer specifies the price. For example, Mr. Brown will purchase another hundred shares of Steel but does not wish to pay any more than $250 a share for it. He therefore places an order to buy one hundred shares United States Steel at 250.

A Contingent Order is one in which the customer wishes to place another order immediately upon the execution of an order he has already placed. For example, Mr. Brown wishes to buy a third lot of United States Steel at 240 and when the order is executed he wants to sell three hundred General Motors at the market. He therefore places an order as follows: "Buy 100 shares of United States Steel at 250, if bought, sell three hundred shares General Motors at the market." It should be noted here, however, that a Broker will not assume any responsibility in connection with a Contingent Order.

Good Through a Given Date Orders are self explanatory This term is applied to orders which are to be kept open through a specified date given by the customer.

An Open Order is one which is in force until cancelled by the customer, these are also known as G. T. C. orders, meaning Good 'till Cancelled.

An Immediate or Cancelled Order is one which is not kept in force if it is not executed immediately. Let us assume that Mr. Brown enters the following order, "Buy one hundred shares United States Steel at 260 immediately." His order is given to a broker who finds that U. S. Steel is quoted 261 bid, offered at 262. He therefore cannot execute Mr. Brown's order as the best offer is 262, so Mr. Brown is informed that the market is 261 bid offered at 262 and his order is cancelled.

A Day Order is good only for the day it is entered.

Report or Cancellation Orders—Very often customers request a report or cancel their orders. For example, let us say Mr. Brown has an order in to buy one hundred shares U. S.

Steel at 260 and sees a sale printed on the tape at that price. He therefore requests a report. His request is forwarded to the specialist, who informs the broker that nothing has been done on the order, as there are other orders ahead at that price. Mr. Brown then decides to raise his limit and enters an order to "buy one hundred U. S. Steel at 260⅛ cancel 260." He may later cancel this order entirely.

Disposition of Unexecuted Orders

The various orders enumerated in the foregoing paragraphs, (with the exception of immediate or cancel orders and market orders) are given to the specialist in the stock and he is held responsible for the execution of them. At the end of the day all unexecuted orders are taken out of the racks and divided into two classes, consisting of G. T. C. orders and Day orders. The G. T. C. orders are then written on slips in duplicate, which are forwarded to the specialist, who signs and returns the duplicate, which acts as a receipt showing he has received the order. The G. T. C. orders are then written in a record book and when the receipts are returned from the specialist they are checked against the G. T. C. orders showing the date the receipt was returned.

Great care is taken in the handling of these receipts as they are the only proof the firm has that the order has been entered. Occasionally when a report is demanded on an open order the specialist claims he has no order. It is then necessary to show him his signed receipt before he is willing to accept the responsibility. It is the policy of some houses to treat unexecuted stop and limit orders as Good 'Till Cancelled, even if not specified by the customer, however, less confusion results if the house does not keep any order open unless told to do so by the customer. Open orders at the end of the day are given to a typist who sends a confirmation to the customer who also receives monthly a complete list of all G. T. C. orders the firm has for his account. Inasmuch as The New York Stock Exchange has ruled that all open orders are cancelled by the specialist at the close of business on the last day of the month it is necessary to renew orders on the first day of every month. In other words, between the broker and the specialist there is no such thing as G. T. C. orders. They are known as month orders.

Avoiding Errors in Transmission

Owing to the similarity of the names and prices of the stocks, orders are very often confused when transmitted over the telephone, therefore order clerks are trained to be extremely careful in entering orders. For example, an order is entered to "Buy 100 shares Seneca Copper at the market," the floor clerk repeats and writes, "Buy 100 Kennecott Copper at the market." As there is a difference in the price of these stocks the error is discovered when the report comes back. In an error of this kind the firm must pay the difference between what they pay for Kennecott and what it is sold for, and must also adjust the customers report on Seneca Copper, as there has been a delay in his order while the error is taking place. This could have been avoided if the clerk entering the order had said, "Buy one hundred Seneca, S-E-N Copper at the market."

Another type of error which occures is that which results by confusing the prices at which orders are placed. Errors of this kind may cause heavy loss to a house and should be carefully guarded against. They occur because of the similarity in the sound of a number of figures. For example, let us say that Steel is selling at 265 and an order is received to sell 500 shares at 269. The Floor clerk writes and repeats 265 instead of 269. This error frequently happens as five and nine sound very much alike. The order is executed at 265 and as the customer's limit is 269 it would be impossible to give him this report, therefore, the firm is short 500 shares of Steel. As errors must be corrected immediately an order is put in to sell 500 shares at 269, and another order is put it to buy 500 shares at the market to cover the firm's short position and the stock is bought at 268. This error shows the firm a loss of $1,500. Therefore in order to insure greater accuracy order clerks are instructed to make the price understood and to do this it is the practice to word the order as follows; "Sell 500 U. S. Steel at 269—one point less than 270."

Odd Lot Orders

Odd lot orders are handled in much the same manner as round lot orders with the exception that instead of being executed by the floor broker, they are sent to the odd lot specialist through the pneumatic tube system. When executed the reports return through the same means. Each odd lot firm

has a number of brokers associated with it, and each broker has a post assigned to him. These brokers are odd lot specialists in all stocks dealt in at their post. An odd lot market order is an order to buy or sell a given number of shares from one to 99 inclusive. These transactions are executed at ⅛ (or ¼) away from the price of the next sale of a full lot taking place after receipt of the order by the odd lot specialist.

Market orders received before the opening of the market are executed at ⅛ (or ¼) from the opening price. It sometimes happens, however, that there will be a wide, or as it is sometimes called "a split opening," when sales at different parts of the crowd occur simultaneously at different prices. For example, Kennecott Copper might have an excited opening, sales of ten thousand shares taking place immediately upon the ringing of the opening gong at from 90 to 91. The ticker would report, "Kennecott 10,000—90 to 91." A reasonable opening price between these prices would have to be decided on. In this case it would very likely be that the odd lot specialist would buy at 90⅜ or sell 90⅝.

An odd lot limited order is an order to buy or sell a stated number of shares from 1 to 99 at a stated price. For example, an order is given to buy 25 shares General Motors at 70. In order that this order may be executed General Motors must sell at 69⅞ or less. If the first sale after receipt of this limited order permits of its execution, the limit is ignored and the order considered a market order. Should the first sale be 69¼ the order would be executed at 69⅜. A limit is also ignored on a limited order if the opening sale any morning permits of its execution while the order is in force. A limited order must be executed at its limit, however, when the next sale after it is received does not permit of its execution. As stated before a limited order must be executed at its limit on the next sale made at the stated price. At times, however, the next two sales following the receipt of an order may be made at prices above and below the limit stated. An example illustrating such a case, and how a limited order at a price between these two sales is handled, follows. For example an order is given to buy 10 General Motors at 70. If the first sale after receipt of the order is 70½ and the next sale 69½ the order is executed at 70. The same rule applies for the same reason in the case of an odd lot for sale at a limit. For example, an order is given to sell

10 General Motors at 70. If the first price after receipt of this order is 69½ and the next sale 70½, the order is executed at 70.

Stop Orders

A Stop Order is an order to buy or sell a stated number of shares at the market after a fixed price is reached. An odd lot Stop Order is executed at ⅛ (or ¼) from the first sale of a full lot which makes the stop order operative. For example an order is received reading, "Sell 10 General Motors 70 Stop." If General Motors sells at 70½ and then 70, the order is executed at 69⅞, but if the sale after 70½ is 69½, then the stop order is executed at 69⅜. An order may be given to buy or sell an odd lot "at the close." The execution of these orders is always based on the closing bid and offer and not on the last sale of the day. "At the close" means to buy or sell on the closing bid or offer. These odd lot orders are given the same careful attention as round lots but more trouble is encountered in handling them and many more complaints received. This is probably due to the fact that the majority of small traders are inexperienced. Frequently requests for better prices are received by these customers but upon investigation it is usually found that the customer has not taken into consideration the lateness of the tape and that the price given him is correct. On a busy day it is, of course, impossible for the tape to keep abreast of the market, and it occasionally runs from twenty to thirty minutes late. In other words, a sale taking place at 2:10 is not recorded on the tape until 2:30 or 2:40. Let us assume that the customer placed an order at 2:10 to buy 10 General Motors at the market. At 2:30 he sees a sale at 75 and at 2:40 77. He naturally thinks his stock was bought at 75⅛, but as his report reads 77⅛ he then requests a better price. It is then explained to him that the tape was twenty-five minutes late and the sale he saw on the tape at 2:30 actually took place at 2:05 or before he placed his order. On one particular occasion the last sale was printed 7:05 p. m. or four hours and five minutes late.

All unexecuted orders in the department, including G. T. C. orders, are checked at the close of business each day with the high and low prices in the newspaper to make sure that no order is overlooked.

Reduction of Limits on Ex-Dividend Date

At the close of each day a list of stocks that are going to sell "ex-dividend" the following day is printed on the ticker. This means that the amount of the dividends will be taken off the price of the stock. This rule only affects limit orders to buy and stop loss selling orders. For example, United States Steel is ex-dividend $1.75 a share. Then G. T. C. orders are automatically reduced 1¾ by the specialist in U. S. Steel with the exception of orders that are executed as open orders on the day the stock sells ex-dividend. In such cases the 1¾ must be taken off by the order department before it is sent in to the specialist.

Give Ups

For the convenience of customers there is an arrangement between brokers whereby a customer can place an order in a different house than the one in which he has his account. These are known as "Give Up Orders." Let us assume that Mr. Brown has his account with Smith & Smith. He enters the office of Myles & Co., located near his home, and places an order to buy 100 shares U. S. Steel at the market, giving them instructions to give up Smith & Smith. The seller of the stock then delivers to Smith & Smith instead of Myles & Co. Before Myles & Co., execute the order they usually call up Smith & Smith to determine whether Mr. Brown has an account with them.

CHAPTER III

Clearing House Department

CLEARING HOUSE DEPARTMENT

Stock Clearing Corporation

The modern practice of financial clearance was first developed in connection with the money transactions between banks in the early part of the last century in Europe. Bank clearing houses were established abroad at that time, and the clearing house of the New York banks was similarly established in 1855.

The first complete system of stock clearance was inaugurated at Frankfort in 1867, and its success soon led to the development of similar systems in London, Paris, Vienna, Hamburg and Berlin. The first attempt in America to clear stocks was made by the Philadelphia Stock Exchange. The New York Stock Exchange followed some time later, and its original Clearing House was established May 17, 1892, the centennial of the first broker's agreement from which the Exchange has developed.

Prior to the establishment of its original Clearing House, the Exchange made no provision for the clearing of trades. It should be noted that the Stock Exchange clearing is more complicated than that of the banks' Clearing House in that the Stock Exchange Clearing House clears both stock and money and is really an intermediate settlement, effected by off-sets, whereas the banks only clear money.

Until 1892, when the Exchange established its Clearing House, each contract for the sale and purchase of a security had to be settled separately through the offices of the parties to the trade. For example, if A sold 100 shares of New York Central stock to B, and B in turn sold it to C, and C sold it to D, the deliveries had to follow the same course and a separate payment was made against each delivery. B could not finance his payment to A out of the amount due him from C and so on down the line. If A had bought 1,000 shares of New York Central from B and had sold 800 shares of the same stock to C, he would have to receive and pay for the 1,000 shares coming

to him from A, and as a separate transaction would deliver the 800 shares to C and receive payment from him.

This was the condition of things in the Panic of 1873 and is said to have been the cause of the many failures and the paralysis that followed. The credit of devising the plan under which the Stock Exchange Clearing House was established and operated is due to Mr. Frank Eames, four times President of the Exchange.

The plan of the Clearing House was that each member at the close of the day sent to the Clearing House a statement of each of his transactions. If, taking his transaction in the aggregate, he was under contract to deliver 1,000 shares of New York Central and to receive 800 shares of New York Central, the double delivery which was formerly required was replaced by a single delivery of 200 shares. The contracts remained unaffected and binding upon the parties. Under the system of the old Clearing House, the 200 shares which A would deliver would be delivered to such Stock Exchange House as might be designated by the Clearing House, entirely without regard to the parties with whom he had his original contracts. He would receive upon delivery not the price at which he had made the sale, but an arbitrary price fixed by the Clearing House which in fact was always the approximate closing price for the day. Each party to the clearing would pay to or receive from the Clearing House the amount necessary to adjust the sums due to or payable by him, and the sums actually received or paid out under the orders of the Clearing House.

The Clearing House effected an enormous saving both in the work of delivery and in the amount of money required to put through the transactions of a day. However, the volume of business in the Street eventually crowded the facilities afforded by the old Clearing House. Under the old Clearing House system, a man who had 1,000 shares to receive and 800 shares of the same stock to deliver would have to finance himself on the delivery day only for the amount necessary to pay for 200 shares, but, if a man had bought 1,000 shares of one stock and had sold 1,000 shares of another stock, he would have to find the money to pay for the thousand he had bought pending the receipt of the money for the thousand shares that he had sold. This latter condition is now taken care of through

the operations of the Day Branch of the Stock Clearing Corporation described later.

The Clearing House only cleared active stocks which were duly designated by the Committee on Clearing House but which in volume represented 90% of the total volume of transactions, leaving the balance of stocks listed and all bonds to be settled by the old method. Through its intermediate settlement process, the Clearing House settled about 50% of the money value of the stocks traded in. If there were $100,000,000 worth of stocks traded in on one day, the Clearing House settled $50,000,000, leaving $50,000,000 to be received and paid for by banking credit based on day loans to members of the Exchange. Notwithstanding the accomplishment of the Clearing House, the volume of balances to be settled plus the settlement of non-cleared stocks and bonds required such an amount of bank credit and certification from the New York banks both in money value and checks necessary to be drawn and certified, that in 1912 the banks of New York insisted that the New York Stock Exchange endeavor to find ways and means to further relieve them of the credit extension and work involved. Studies were made of actual operation of European methods and a Special Committee of the Governing Committee was appointed to study and prepare a plan, which it did through the proposed organization of the Stock Clearing Corporation which began its operations on April 26, 1920.

The old Clearing House of the Stock Exchange was made a part of the Stock Clearing Corporation, and designated the Night Clearing Branch, and, in all essentials, it functions exactly as it did before.

The Stock Clearing Corporation has a capital of $500,000, all of which is owned by the Stock Exchange, and a working surplus of cash accumulated from earnings.

Under the Constitution of the New York Stock Exchange, every transaction on the Floor of the Exchange must be cleared and settled through the Stock Clearing Corporation unless otherwise mutually agreed or unless in lots of less than $1,000 par value of bonds or 100 shares of stock, so that, if a member of the Exchange who is not a member of the Stock Clearing Corporation makes a trade on the Exchange, he must have it cleared and settled by a Clearing Member firm. It should be

noted that some inactive stocks, although listed on the Exchange do not clear through the Clearing House.

Members of firms desiring to become Clearing Members must contribute a sum of money to the Clearing Fund of the Stock Clearing Corporation, based on the volume of their business, with a minimum of $10,000. This Clearing Fund is at the risk of the business of the Stock Clearing Corporation, and for its protection and in addition carries 100% assessable liability, so that, in case there is a loss to the Stock Clearing Corporation that it cannot make good from its surplus, every Clearing Member is assessed pro rata up to double the amount of contribution. Because of this money protection, the banks of New York take the checks of the Stock Clearing Corporation without certification.

The Stock Clearing Corporation is not a bank but is organized under the business law of the State of New York to act as the agent of its members in receiving securities and in paying for them and in delivering securities and receiving payment therefor.

The money representing its capital, surplus and Clearing Fund is re-deposited in over twenty-five banking institutions. Furthermore, for the protection of the Stock Clearing Corporation and its members, those who join it must sign what is known as the Clearing Member's Agreement, giving to the Stock Clearing Corporation power to see that the member's business is properly conducted at all times and to take such steps as it deems necessary for its protection and the protection of its members.

Each member of the Exchange who employs the Stock Clearing Corporation to act for him is credited by the Stock Clearing Corporation each day with the amount he is entitled to receive for securities deliverable by him and is charged with the amount he is obligated to pay for securities deliverable to him, and he receives or pays the balance through the Stock Clearing Corporation.

In connection with the work of the Stock Clearing Corporation there exists a central delivery department through which brokers may receive and deliver securities bought and sold without the necessity of separate delivery to the individual brokers involved in the transactions. On all clearing transactions other than those resulting from what are known as three-

way tickets the receipt and delivery of securities are made through a central delivery department.

The effect of the operations of the Stock Clearing Corporation may best be indicated by the use of figures. In transactions which, before the creation of the old Clearing House, would have required $100,000,000 to effect the settlements, and, under the operations of the Clearing House, would have required only $50,000,000, now, under the operation of the Stock Clearing Corporation, require only about $20,000,000. This means that the operations of the Stock Clearing Corporation diminish every day by enormous amounts the actual money required to effect the settlement of Street transactions.

As only one check is received from a firm to balance its account with the Stock Clearing Corporation or the Stock Clearing Corporation delivers such firm a check for a similar purpose at the end of the day, the saving in the number of checks drawn and certified is very large. On one day, the Stock Clearing Corporation settled the day's transactions by the use of only 340 checks which, if it had not been in operation, would have required the drawing and certifying of 19,775 checks. To illustrate as a concrete case, one Stock Exchange firm owed $1,980,000 on stocks to receive and had credit of $1,975,000 of stocks to deliver involving 163 deliveries and about 150 receipts, all of which were settled with a check for $5,000.

All of this is undertaken through the medium of the Day Branch, which is, in reality, a settlement department as against the Night Clearing Branch being a clearing organization.

Another function of the Day Branch is the clearing of loans. Prior to its inauguration, if a member firm desired to pay off a loan at Bank A for $100,000, it had to secure certification from its own bank on a day loan for a check drawn to the order of Bank A. Later in the day, if it borrowed the money from Bank B, it received a check from Bank B which it deposited in its own bank to make good the credit given to the house by its own bank. At the present time, when a bank calls a loan of $100,000, it brings the securities to the Stock Clearing Corporation which gives its check for the face value of the loan and interest and either holds the securities until a new loan is made or allows the firm to receive them and deliver to parties purchasing them on sales made the day before.

When the firm makes a new loan, it either brings new securities to the Stock Clearing Corporation or uses those in its possession and they are sent for by the representatives of the lending bank by 2:30 P. M.

In addition to settling the balances of the cleared securities as the result of the operations of the day before, the Day Branch settles transactions in bonds and non-cleared stocks.

On May 31, 1923, there was also placed in operation what is known as the Stock Transfer Department which issues to members its assignable transfer receipts for stocks to be placed in transfer and on September 20, 1926, inaugurated the issuance of its exchange receipts issued for the deposit of securities in connection with re-organizations and re-adjustments of capital. Both classes of receipts are accepted by the lending banks of New York as collateral in the same manner as they receive the stocks. This operation results in the release to members of a large amount of credit which would otherwise be tied up for twenty-four hours or more until new stock can be received from transfer or exchange and has proved of great benefit to the members. Under this plan, members can take securities from loans and deliver them to the Stock Transfer Department together with blank powers of attorney making the new stock negotiable and on receipt of the assignable receipts can replace the stock as collateral in the loans.

The expense of the operation of the Stock Clearing Corporation is met by three sources of revenue. First, a charge of five cents per hundred shares on each side including balances of stock entered on the night clearing sheet. Second, a charge of two cents per $1,000 of money value settled through the Day Branch. Third, by interest received from banking institutions with whom it deposits its capital, surplus and the money in the Clearing Fund. The operation of clearing loans and the Stock Transfer Department are free to members and are part of the service of the Stock Clearing Corporation renders as a department of the Exchange.

The auditing of the operations of both the Day and Night Clearing Branches are in the hands of a department under the direction of the Assistant Treasurer where is concentrated the routine work of auditing, collecting charges from members, and the continuous check and reconciliation of bank balances. This is an entirely separate department and was organized and

operates on the same principles as the auditing departments of large corporations.

Owing to the tremendous value of negotiable securities going through the premises of the Day Branch, a very complete guarding system is in existence and the premises are protected in the most modern way possible. No employee of a firm is admitted to these premises without having an identification card with his picture thereon and his having filed a complete history sheet that is duly investigated and passed upon by The Division of Records and Investigations.

There is no clearing on Friday, as that day's transactions are combined with those of Saturday and cleared on Saturday.

Detail Operating Methods and Practices of the Brokerage House in Connection With Its Clearing Work

The following pages will present the methods and practices of clearing house work in detail, showing, with examples and forms, the manner in which this work is actually handled by the brokerage house.

To simplify the explanation of this work we are setting up the entire transactions for one day for the Stock Exchange firm of Cox & Company, and in connection therewith will show each of the operations performed in the handling of the Clearing House transactions for this day's business. These transactions are as follows:

BOUGHT:

February 1, 1929

No. of Shares	Name of Stock	Price	Broker from Whom Bought
100	U. S. Steel	180	Smith & Co.
200	" "	183	Redding & Co.
500	" "	184	Jenkins & Co.
200	Studebaker	96	White & Co.
300	"	95½	Logan & Co.
200	Erie	63	Bigsby & Co.
100	General Motors	43½	Harold & Co.

SOLD:

No. of Shares	Name of Stock	Price	Broker to Whom Sold
400	U. S. Steel	186	Wood & Co.
200	Studebaker	94½	Stone & Co.
400	"	97	Peters & Co.
100	"	96½	Hardy & Co.
300	Radio	45	Thompson & Co.
100	General Motors	44	Hearst & Co.

The reports covering these transactions will be sent from the Order Clerk to the Clearing House Department, and will also include the names of the customers who purchased and sold. The names of the brokers with whom the transactions were made, however, are not available until some time later in the day. These names are obtained by sending a messenger to the Exchange for the floor reports which are matched up with the reports received from the order room.

In order to assure the accuracy of the Clearing House Sheet which is sent to the Night Clearing Branch it is necessary to confirm each transaction appearing thereon. We will, however, present here this sheet in its completed form, but will explain the transactions in the order in which they occur in the actual handling of the work.

Form M2

1ST EX W.C.T. 2ND EX
1ST CK L.D.A. 2ND CK

STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH) No. 399 1ST CK 2ND CK

NEW YORK Feb. 2, 1929 OFFICE ADDRESS 42 Broadway CLEARING SHEET OF Cox & Company

	RECEIVE FROM	SHARES	SECURITY Print N.Y.S.E. Abbreviations IN CAPITALS	PRICE	NB Col.	VALUE		DELIVER TO	SHARES	SECURITY Print N.Y.S.E. Abbreviations IN CAPITALS	PRICE	NB Col.	VALUE	
1	Smith & Co	100	U S Steel	180		18000	–	51 Wood & Co	400	U.S. Steel	186		74400	–
2	Redding & Co	200	"	183		36600	–	52 Stone & Co.	200	Studebaker	94½		18900	–
3	Jenkins & Co	500	"	184		92000	–	53 Peters & Co	400	"	97		38800	–
4	White & Co	200	Studebaker	96		19200	–	54 Hardy & Co.	100	"	96½		9650	–
5	Logan & Co	300	"	95½		28650	–	55 Thompson & Co	300	Radio	45		13500	–
6	Bigsby & Co	200	Erie	63		12600	–	56 Hearst & Co.	100	Gen Motors	44		4400	–
7	Harold & Co	100	Gen Motors	43½		4350	–	57						
8								58						
9								59						
10	Balance to Deliver	200	Studebaker	94		18800	–	60 Balance to Receive	400	U.S. Steel	185		74000	
11		300	Radio	44		13200	–	61	200	Erie	64		12800	
12								62						
13			Draft			3050	–	63						
14								64						
15		2100				$ 246450	–	65	2100				$ 246450	
16								66						
17								67						
18								68						
19								69						
20								70						
21								71						
22								72						
23								73						
24								74						
25								75						
			TOTALS							TOTALS				

DO NOT CHECK IN THIS COLUMN

DO NOT CHECK IN THIS COLUMN

Figure 1. Clearing House Sheet

Confirming Each Transaction

Referring to the bought or receiving side of the Clearing Sheet it will be noted that we have seven transactions. On each of these transactions a Receive Ticket, printed in black on yellow paper, will be made out covering each of the purchases made, and in the case of the item on line 1 of the Clearing Sheet the ticket will cover a purchase of 100 shares of U. S. Steel to be received from Smith & Company.

The following form shows this ticket prepared to cover this transaction.

Form M4
No. 399 Our Line Number 1 New York Feb 7 1929

STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH)

RECEIVE FROM Smith & Co.

100 shares U. S. Steel @ 180 $ 18,000

for account of the undersigned.

Their Line Number 51 Cox & Co.

Figure 2. Receive Ticket

The sales are handled in exactly the same manner, except that the ticket used in transactions involving sales is printed in red ink on white paper, and is known as a Deliver Ticket. Form No. 3, which follows shows the Deliver Ticket prepared for the transaction covering 400 shares of U. S. Steel sold by Wood & Co., as indicated on line No. 51 of the Clearing Sheet.

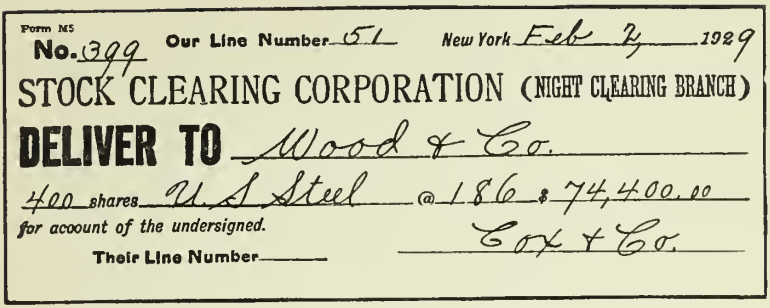

Form M5
No. 399 Our Line Number 51 New York Feb 7 1929
STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH)
DELIVER TO Wood & Co.
400 shares U.S. Steel @ 186 $74,400.00
for account of the undersigned.
Their Line Number
Cox & Co.

Figure 3. Deliver Ticket

The sellers deliver ticket (Figure No. 3) is provided with a detachable duplicate upon which the Federal and State tax stamps are placed. The duplicate is sent by the delivering broker to the Stock Clearing Corporation on or before 11:00 o'clock the day following that on which the trade was made.

When all the tickets are completed they are sent to the Stock Clearing Corporation and exchanged for tickets representing the opposite side of each transaction. For example, Cox & Company will receive from Smith & Company a red and white deliver ticket covering the item on line No. 1 of the Clearing Sheet and will receive a yellow and black receive ticket from Wood & Company, covering the transaction shown on line No. 51 of this sheet.

It is obvious that when each ticket is exchanged that the transaction is absolutely accurate. However, it sometimes happens that owing to errors or mixups on the floor of the Exchange, resulting from a large volume of business, that the tickets cannot be properly exchanged at the Stock Clearing Corporation. In such cases it is necessary to send a messenger to the other party in the transaction and demand the proper ticket in exchange. A form called a "Demand" is used in this contingency.

Referring back to the Clearing House Sheet, and to line No. 1, let us assume that Cox & Company did not receive the Deliver Ticket of Smith & Company. Cox & Company would then fill out the Demand notice, as follows:

Form M12
We give up _____

Your ticket stopped with us _____
Name and Number Stamp

Don't know transaction with you.
Your ticket stopped with us. } _____
Name and Number Stamp

This demand when presented after 4:30 P. M. (Saturday 1:30) must be recognized by issuing an "Original" ticket, signing as a "Substitute" ticket, or signing as a "Give Up" or "Don't Know" notice, or by returning demanding party's ticket if in your possession. Demanding party must send his ticket to Night Clearing Branch with sheet when stamped as "Substitute", "Give Up" or "Don't Know".

STOCK CLEARING CORPORATION.

No. 399 New York, Feb 7 1929

STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH)

To Smith & Co.

DEMAND is hereby made for your **DELIVER** ticket in exchange for our Receive ticket

Line No. 1 issued to you for 100 U.S. Steel @ 180 = $18,000.00

Signed Cox & Co.

Substitute for our
Deliver ticket No. _____
Original stopped with you. } _____
Name and Number Stamp

Figure 3-A. Demand for Ticket

In the event of Smith & Company wishing to "give up" the transaction to another broker they would stamp their name and clearing house number on the line reading, "Your ticket stopped with us," and write the name of the "give up" broker on the line reading, "We give up." Cox & Company would then take the Demand to the "Give Up" and receive a regular deliver ticket. If for any reason Smith & Company disclaim the trade, either through being unable to locate the ticket of Cox & Company, or through having no record of the trade, they would stamp their name and clearing house number on the line reading, "Don't know transaction with you. Your ticket stopped with us." This would automatically "cut out" the transaction from the night sheet.

If the trade is correct according to the records of Smith & Company they would give Cox & Company either the regular deliver ticket or stamp their name and clearing house number on the last line of the form and place their line number in the space after the words reading, "Substitute for our Deliver ticket No. ———. Original stopped with you."

In the Clearing Sheet which we have shown there are seven purchases and six sales. When the sheet is sent to the Night Clearing Branch it must be accompanied by seven white and red deliver tickets from Smith & Company, Redding & Company, and the other firms enumerated on the sheet down to line No. 7, and by six yellow and black receive tickets received from Wood & Company, Stone & Company, and the other firms represented on the deliver side of the sheet down to line No. 56.

Security Balances to Receive and Deliver

The next duty of the clearing house clerk is to analyze the sheet so that he may arrive at what stocks he is to receive and deliver on balance. It will be noticed that 800 shares of U. S. Steel were purchased (Lines Nos. 1, 2, and 3) and that 400 shares were sold (Line No. 51), leaving a balance of 400 shares to receive at the established Clearing House price of 185 (Line No. 59). Further analysis will also show that 200 shares of Erie are also to be received, and that 200 shares of Studebaker and 300 shares of Radio are to be delivered. Note also that 100 shares of General Motors purchased and 100 shares sold offset each other, making an even position with no balance either way.

Having arrived at the above, balance to Receive and Deliver tickets must be made out accordingly and sent to the Night Clearing Branch with the Clearing Sheet. The same color scheme is used throughout, that is, receive on yellow and black and deliver on red and white. Examples of the forms used in connection with this work follow:

Form M8

STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH)

THE UNDERSIGNED WILL **RECEIVE** THE FOLLOWING **BALANCE** OF STOCK AT THE DELIVERY PRICE.

SHARES	STOCK	RECEIVE FROM	
200	Studebaker		
	94		

DATE Feb 7/29 NAME Cox & Co No. 399

Figure 4. Receive Balance Ticket

Form M7

STOCK CLEARING CORPORATION (NIGHT CLEARING BRANCH)

THE UNDERSIGNED WILL **DELIVER** THE FOLLOWING **BALANCE** OF STOCK AT THE DELIVERY PRICE.

SHARES	STOCK	DELIVER TO	
400	U.S. Steel		
	185		

DATE Feb 7/29 NAME Cox & Co. No. 399

Figure 5. Deliver Balance Ticket

It will be seen from these forms that the Clearing House tickets have a blank space allowing for the insertion of the name of the broker from whom stocks are to be received or to whom they are to be delivered. The names of these brokers are subsequently inserted by the Clearing House Corporation and returned to the broker the following morning.

We have previously mentioned the fact that the Clearing House established a settlement price which is approximately that of the closing price of the day. The manner in which the Clearing House settlement price is arrived at is indicated by the following illustration: For example, if United States Steel closed at 185¾ the Stock Clearing Corporation price would be 186, but if it closed at 185⅜ the settlement price would be 185. In other words when the fraction exceeds ½ the settlement price taken is the next higher flat price and where the last sale for the day is fractionally less than ½ the settlement figure taken is the next lower flat price. Where, however, the last sale is at the even half fraction the Stock Clearing Corporation would use their judgment in establishing the price, basing it according to the trend of the market. These prices are used for balancing purposes only and entail no loss of money to either the receiver or the deliverer of the security, nothwithstanding the settlement made by check or draft at the settlement price.

Money Differences

The different prices at which the stocks may be bought and sold and the Clearing House price result in a difference in money to be paid to the Clearing House or received from it. In the case illustrated it will be noted that the total of the credit side of the Clearing Sheet is $3,050.00 more than the total amount on the debit side of the sheet. Accordingly a draft is made out for this amount. This draft also accompanies the Clearing House Sheet. If, however, the debit side were larger it would be necessary to send a check to the Clearing House for the required amount. The check is drawn to the order of The Manhattan Co. A form showing the draft used in this connection is presented below.

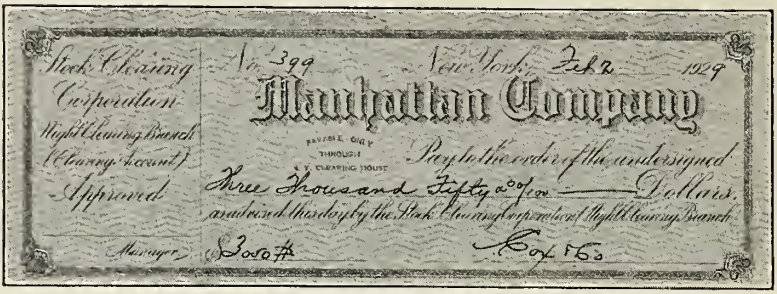


Figure 6. Night Clearing Branch Draft

The Clearing Sheet, of course, should be properly balanced both as to securities and money. The individual handling this work must be extremely careful in all details as each error is subject to a fine. It is also a more or less flexible rule that the Clearing Sheet together with all Receive and Deliver tickets, Receive and Deliver Balance tickets, and check or draft must reach the Night Clearing Branch by 7:00 P. M. However, this time is usually extended under the stress of a large volume of business, but if the delay is unreasonable a fine is likely to result.

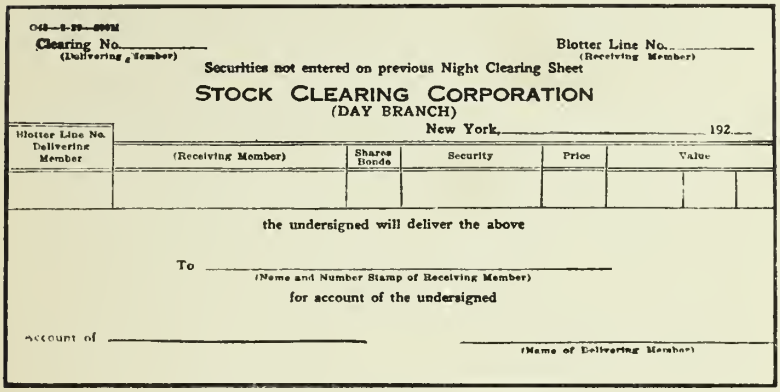
No clearing of transactions takes place on Friday night as the trades of Friday and Saturday are combined and cleared in one day, namely, on Saturday.

For the purpose of this book we have used the full name of the security in making up the Clearing House Sheet. The Clearing House, however, has ruled that the symbol for each stock must be used in all cases. For instance, United States Steel must be placed on the Clearing House Sheet as "X".

Day Clearing Branch

The Day Clearing Branch, as far as the receipt and delivery of securities is concerned, is used mainly for transactions that were "cut" from the Night Clearing House sheet on account of disputes or for other reasons which prevented proper clearance on the Night Branch, and for securities which are not on the clearing list and for most of the bond transactions. (Excluding certain convertible bonds).

Day Branch tickets are sent to the parties on the other side of the trade and the form used in this connection is known as a Three-Way ticket, a specimen of which is shown here, designated as Figure No. 7.



Clearing No. _____ (Delivering Member)

Blotter Line No. _____ (Receiving Member)

Securities not entered on previous Night Clearing Sheet

STOCK CLEARING CORPORATION
(DAY BRANCH)

New York, _____ 192__

Blotter Line No. Delivering Member	(Receiving Member)	Shares Bonds	Security	Price	Value

the undersigned will deliver the above

To _____
(Name and Number Stamp of Receiving Member)

for account of the undersigned

account of _____

_____
(Name of Delivering Member)

Figure 7. Three-Way Ticket

This ticket, as its name indicates, is made up in triplicate, the seller sending it to the buyer who stamps his O.K. on the original and duplicate and retains the triplicate for his own record. Lists made up from these tickets together with the original and duplicate on each transaction are sent to the Stock Clearing Corporation Day Branch and deliveries are subsequently made by deliveries of the securities against receipt. The receipt is then sent to the Clearing House Day Branch for proper credit on the final adjustment check. This matter is taken up completely in the chapter devoted to the Cashier's Department.

The foregoing covers merely the operations involved in preparing the Night Clearing House Sheet. There are, however, a number of other operations which are usually included in the work of the Clearing House Department under the direct supervision of the Head Clearing House Clerk. Of these operations we will consider first the preparation of the clearing house blotter.

Clearing House Blotter

The Clearing House Blotter is practically a duplicate of the clearing house sheet excepting that commission, interest, tax, total debit or credit to customer and name of customer are included. Following is the form of Clearing House Blotter based on the clearing house sheet discussed in the previous paragraphs.

COX & Co.

Feb. 2, 1929.

BROKER	No	From Whom Bought	Quantity	Description	Price	Amount	Interest	Comm	Total	For Whose Acct.
	1	Smith & Co.	100	U S Steel	180	18000		25	18025	Thos Burgess
	2	Redding & Co	200	U S Steel	183	36600		50	36650	Baird Singer
	3	Jenkins & Co	500	U S Steel	184	92000		125	92125	John Blake Co
	4	White & Co.	200	Studebaker	96	19200		40	19240	Thomas & Co
	5	Logan & Co	300	"	95½	28650		60	28710	Jas Crane
	6	Bigsby & Co	200	Erie	63	12600		35	12635	Henry Barnes
	7	Harold & Co	100	General Motors	43½	4350		15	4365	Arthur Cole
	8									
	9	Balance to Deliver	200	Studebaker	94	18800			18800	C. H.
	10	do.	300	Radio	44	13200			13200	C. H.
	11			Draft		3050			3050	C. H.
	12									
	24									
	25									
			2100			246,450			246,800	

COX & Co.

Feb 2, 1929

Broker	No	To whom sold	Quantity	Description	Price	Amount	Int.	Comm	Tax Fed	Tax State	Total	For Whose Acct
	51	Wood & Co.	400	U S Steel	186	74400		100	8	8	74284	Lilly Bros
	52	Stone & Co.	200	Studebaker	94½	18900		40	4	4	18852	John Berry
	53	Peters & Co.	400	do.	97	38800		80	8	8	38704	Jos Apple
	54	Hardy & Co	100	do.	96½	9650		20	2	2	9626	F I Moody & Co
	55	Thompson & Co	300	Radio	45	13500		45	6	6	13443	Albert Reilly
	56	Hearst & Co.	100	Gen'l Motors	44	4400		15	2	2	4381	Thos Blythe
								300	30	30	30	Federal Tax
											30	State Tax
											650	Commission
		Balance to Recm	400	U S Steel	185	74000					74000	C. H.
		do.	200	Case	64	12800					12800	C. H.
			2100			246,450					246,800	

Figure 8. Clearing House Blotter

It will be noted that the customer's commission is added on the debit side and that the commission and tax is deducted on the credit side, the figures under column "Total" representing the net debits and credits. The commission on both debit and credit sides are brought over in one amount to the credit side of commission account.

In order to bring the clearing house blotter into balance it is necessary to include the security balances and draft appearing on the clearing house sheet. These items are marked C.H. (Clearing House) and are non-posting items as the contra entries will be found on the deliver and receive blotters used in the Cashier's Cage.

It is the usual custom for one clerk to prepare the clearing house sheet, and for another to handle the clearing house blotter. These clerks work entirely independent of each other and thus when the same result is reached the accuracy of both clearing house sheet and blotter is assured.

In former years all postings by the bookkeeping department were made directly from this and the ex-blotter used in the Cashier's Cage. However, during the last few years the volume of trading has increased to such an extent that improvements have been made in several departments. A great many of the houses today put through their records with slips which are made out at the same time as the customer's confirmation. Duplicates of the confirmation under this system are sent to the Margin Department, Stock Record Department, Bookkeeping Department, etc.

In this explanation of both the clearing house sheet and blotter we have assumed that all orders were executed by the floor member of Cox & Company. However, as a matter of fact a very large portion of the business is given out to other brokers, and in this case the name of the executing broker would appear in the extreme left hand column of the forms shown in Figures No. 1 and No. 8.

Curb Clearing House Sheet and Blotter

All transactions in 100 share lots executed on the New York Curb Exchange are handled in exactly the same manner as New York Stock Exchange transactions, providing that the stock is on the clearing list. The exchange of tickets, preparation of Clearing Sheet and Blotter are handled practically in an identical manner.

The Curb market has a night clearing branch only and the security balances to receive or deliver are made by actual delivery and payment by the brokers indicated on the security balance tickets.

Customers' Confirmations

Every trade made by a customer is confirmed by mail on the same day the transaction takes place. The confirmation shows the day of trade, broker, number of shares, description or name of security, price, interest if a bond transaction, commission, tax and the net debit or credit to the account. Following are examples of the forms generally in use.

STOCK DEPARTMENT

COX & COMPANY

BROKERS

42 BROADWAY, NEW YORK

MEMBERS:
NEW YORK STOCK EXCHANGE
NEW YORK COTTON EXCHANGE
NEW YORK PRODUCE EXCHANGE
THE RUBBER EXCHANGE OF NEW YORK, INC.
NEW YORK COFFEE AND SUGAR EXCHANGE, INC.
NEW YORK CURB MARKET

WE HAVE THIS DAY **BOUGHT** FOR YOUR ACCOUNT AND RISK

DATE Feb 1, 1929

BROKER	NO.	FROM WHOM BOUGHT	QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.		TOTAL	FOR WHOSE ACCOUNT
	1	Smith & Co.	100	U. S. Steel	180	18,000		25		18,025.	Thomas Burger

All orders for the purchase and sale of any article are received and executed with the distinct understanding that ACTUAL DELIVERY is contemplated, and that the party giving the order so understands and agrees.
It is understood and agreed that all securities carried in this account or deposited to secure the same may be carried in our general loans and may be sold or bought at public or private sale, without notice, where such sale or purchase is deemed necessary by us for protection.
It is further understood and agreed that on all accounts the right is reserved to close transactions without notice when protection is exhausted, or so nearly so in our judgment, as to endanger the account, to settle contracts in accordance with the rules and customs of exchange where order is executed.

E. & O. E.

PER COX & COMPANY

Figure 9. Customers' Confirmation (Purchase)

STOCK DEPARTMENT

COX & COMPANY

BROKERS

42 BROADWAY, NEW YORK

MEMBERS:
NEW YORK STOCK EXCHANGE
NEW YORK COTTON EXCHANGE
NEW YORK PRODUCE EXCHANGE
THE RUBBER EXCHANGE OF NEW YORK, INC.
NEW YORK COFFEE AND SUGAR EXCHANGE, INC.
NEW YORK CURB MARKET

WE HAVE THIS DAY **SOLD** FOR YOUR ACCOUNT AND RISK

DATE Feb. 1, 1929

BROKER	NO.	TO WHOM SOLD	QUANTITY	DESCRIPTION	PRICE	AMOUNT	INTEREST	COMM.	TAX	TOTAL	FOR WHOSE ACCOUNT
	5	Wood & Co.	400	U.S. Steel	186	74,400		100.	16.	74,284.	Lilly Rose

All orders for the purchase and sale of any article are received and executed with the distinct understanding that ACTUAL DELIVERY is contemplated, and that the party giving the order so understands and agrees.
It is understood and agreed that all securities carried in this account or deposited to secure the same may be carried in our general loans and may be sold or bought at public or private sale, without notice, where such sale or purchase is deemed necessary by us for protection.
It is further understood and agreed that on all accounts the right is reserved to close transactions without notice when protection is exhausted, or so nearly so in our judgment, as to endanger the account, to settle contracts in accordance with the rules and customs of exchange where order is executed.

E. & O. E.

PER COX & COMPANY

Figure 10. Customers' Confirmation (Sale)

These confirmations are made up directly from the reports coming from the order room. Most of the work involved in figuring the interest, tax, etc., is done automatically on special billing machines designed for this purpose. The customer receiving the confirmation is supposed to check it immediately with his own records in order that any errors may be discovered and rectified at once.

Odd Lot Sheets

Owing to the enormous volume of odd lot trading several houses confine their operations to dealing in lots of less than 100 shares of stock. As previously explained, these houses have no individual customers, their dealings being exclusively with fellow members of the Exchange.

In order to minimize the amount of securities actually received and delivered between the odd lot houses and other members the odd lot specialists have endeavored to run a special sheet with each one of their broker customers. This sheet in effect performs the same function in the handling of odd lot transactions as the Clearing House Sheet performs in handling of 100 share lots of stock. An example of this sheet is shown in Figure No. 11.

Carlisle, Mills & Co. Odd Lot Specialist — Cox & Co

RECEIVE FROM	SHARES	SECURITY	PRICE	NR Cd.	VALUE	DELIVER TO	SHARES	SECURITY	PRICE	NR Cd.	VALUE
Corbet Mill & C.	10	U.S. Steel	185		1850		30	U.S. Steel	185		5550
"	10	"	184⅞		1848.75		25	Gen'l Motors	53		1325
	10	"	184½		1845		60	Radio	45		2700
	26	Gen'l Motors	54		1040		30	"	40		1200
	15		50		750		80		41		3280
	90	Radio	40½		3645		20	"	40½		810
	90	Amer Can	100		9000		10		40⅞		407.50
Bal to Deliver	145	Radio			16998.75		20	Amer Can	99		1980
	110						25	"	100		2500
	10	Amer Can Check from C. Mills Co.			5196.25		50	"	49½		4925
							5	"	99½		497.50
							355				35197.50
						Balance to Receive	10	Gen'l Motors			
	365				117600.		365				75475

Figure 11. Odd Lot Sheet

It will be noted from this sheet that there are seven different purchases and eleven different sales, a total of eighteen transactions, involving securities to be received and delivered, and to be temporarily financed if the special sheet were not in use. The completion of this sheet, however, results in two actual deliveries, that is, 110 shares of Radio and 10 shares of American Can, and one receive transaction, that of the 10 shares of General Motors. The money difference is shown in one check for $5196.25 to be received from the odd lot specialist.

If either the broker or the specialist is unable to make the deliveries as indicated on the sheet the value of same is allowed for in making the final settlement check. For instance if Cox & Company could not deliver the 10 shares of American Can the check from Carlisle, Mills & Co. would be reduced approximately $1,000.00, this being the value of the 10 shares of American Can. This matter of the receipt and delivery of stock and the adjustment check is also explained fully in the chapter devoted to the Cashier's Department.

Ex Blotter Items

Every brokerage concern, whether or not they are members of an exchange, will have customers who are interested in and who trade in unlisted securities and other securities for which no clearing arrangements or special sheets can be made. These items are simply listed on what is called the Ex Blotter, the form used being the same as the Clearing House Blotter.

After the trades are listed on the Ex Blotter by the Clearing House Department it is sent to the Cashier's Cage, who receive and make actual delivery of all items thereon, receiving the proper payment or making disbursement as each particular item requires.

Stocks Borrowed and Loaned

A record of all securities borrowed and loaned is kept by the Clearing House Department. The clearing house sheet we have shown includes only actual purchases and sales. However, securities loaned and borrowed, mark up or mark downs and securities returned may also properly appear on the sheet, and the receive and deliver tickets are exchanged in the usual manner. For instance, should Cox & Company borrow 100

shares of American Can from Wilkins & Co. it would appear on the receive side of the Cox & Co. sheet and on the deliver side of the Wilkins & Co. sheet. Unless some other mutually satisfactory arrangement was made between the two brokers the item would be figured at the Clearing House price.

Cox & Company may continue to borrow the 100 shares of American Can for say, 5 days and at the end of this time wishing to return this stock to Wilkins & Co. they would so notify them by telephone and would place the return item on the deliver side of the sheet. This would also be at the borrowed price unless it were marked to a different price during the 5 day period, but the amount of interest due Cox & Company would be added. Let us assume that the borrowed price was $99.00 and the interest $9.00. The amount placed on the deliver side of the sheet of Cox & Company and the receive side of the sheet of Wilkins & Company would be $9,900.00 plus $9.00, or $9,909.00.

Carrying this illustration further let us say that at the end of the 5 day period American Can had declined to $90.00 and that Cox & Company desired the stock to be marked at this price. After notifying Wilkins & Company they would place the return on the credit side of the sheet at $9,909.00 and would create a new borrowed item by placing the 100 shares on the receive side at the present price of $90, or $9,000.00. These two items automatically create a credit of $909,00 to Cox & Company and the mark down is thus accomplished. The record of stocks borrowed and loaned is kept in such a manner that the interest can be readily adjusted to any change in rate. Following is an illustration of the method in general use.

STOCKS BORROWED

DATE	AMT	DESCRIPTION	PRICE	2/2	2/4	2/5	2/7								
2/2	100	Amer. Cars	99	3%	2½%	3½	Ret								Wilkins Co
2/7	100	Amer Car	90				3½								Wilkins Co

Figure 12. Stocks Borrowed Record

The foregoing sheet shows the original borrow of the stock at $99.00 with changes of interest on February 4th and February 5th; the return of the item on February 7th and the new transaction at the market price.

Securities loaned are handled in exactly the same manner, excepting that as Cox & Company loaned the stock they would pay the interest instead of receiving it, providing there was no premium. The short and quick method of figuring interest on stocks borrowed and loaned is exactly the same as explained in the chapter on the Cashier's Department detailing the work of the Loan Clerk.

When Issued Transactions

There are many securities traded in on a when, as and if issued basis. That is to say they are dealt in before the actual certificates are ready for delivery. This usually occurs as a result of mergers, reorganizations, organization of new corporations, the issuance of stock subscription privileges, the exchange of securities, etc.

These trades are executed in the regular manner wherever the market might be located, that is, on the New York Stock Exchange, New York Curb Exchange, Over the Counter Market, et cetera. When the reports of such transactions reach the Clearing House Department they are properly recorded, usually on a card system, giving the name of the broker, the number of shares, price, customer, etc. The transactions are then compared in the regular manner, but in view of the fact that a stamped comparison is not binding in a court of law a special form of contract is signed by each broker in the trade to assure the accuracy thereof and to establish a binding contract. For the purpose of this book we will consider only such transactions as have been executed on either the New York Stock Exchange or the New York Curb Exchange. The form of contract in use for these transactions follows.

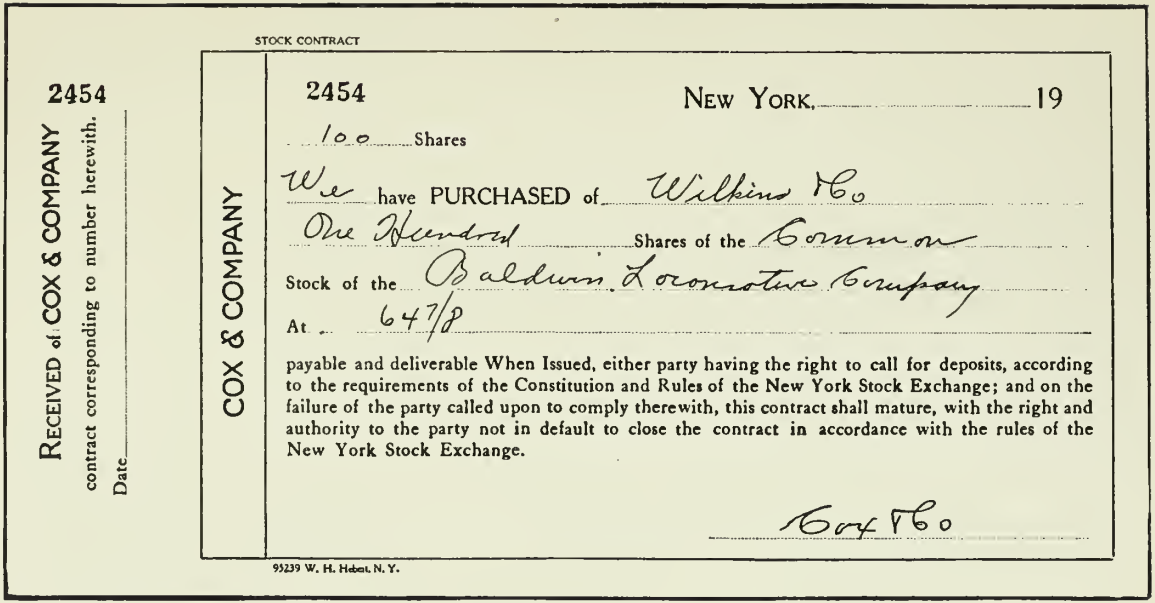


Figure 13. When Issued Contract

This when issued contract would be delivered to Wilkins & Company, who would date and sign the receipt attached. Wilkins & Company would also send a contract to Cox & Company covering their sale of this stock and would receive the signed stub.

On the Clearing House Department devolves the duty of watching the market on all When Issued securities so that in the failure of either of the exchanges to put through an intermediate sheet the securities can be marked to the market price. For instance Wilkins & Company having sold Cox & Company 100 shares of Baldwin Locomotive at 64⅞, and the market having declined to a serious extent Wilkins & Company would have the privilege of marking down the stock. However, if this item is on a when issued basis it could not be handled through the Clearing House, but would be consummated by Cox & Company giving a check to Wilkins & Company for the required amount.

However, when When Issued trades reach a considerable volume of trading and the market has advanced, or declined to any marked degree the Clearing House will order an intermediate sheet. This order requires that all clearing members having transactions in this stock must put in a sheet covering each trade. The Clearing House then establishes a price and all shares to be received or delivered on balance are figured at this price.

For illustration let us say that Cox & Company have purchased 1600 shares of Baldwin Locomotive, when issued, at various prices, averaging perhaps $65.00, and have sold 3100 shares at the same average price, leaving a net short position of 1500 shares. Further assuming that the market has declined to $50 per share, Cox & Company have a paper profit of $22,500.00. At this stage of the proceedings the profit is not protested in any way, and furthermore in the case of the failure of any of the brokers to whom they sold the stock Cox & Company would be subject to a serious loss. The intermediate sheet affords this protection and at the completion of the sheet Cox & Company would have 1500 shares of Baldwin Locomotive to deliver at the new price of $50.00, and the profit of approximately $22,500.00 would placed to their credit at the Clearing House completion. Interest is also allowed on this sum at the prevailing rates.

The method of preparing the sheet is exactly the same as in the case of trades made in the regular way. The when issued records are kept up until such time as the issuing corporation makes the stock available for delivery, at which time the Exchange will also designate an official delivery date.

Referring back to our illustration, Cox & Company at the completion of the intermediate sheet have a balance of 1500 shares of Baldwin Locomotive stock to deliver, but subsequent to that time they may have made many additional trades. When the delivery date has been announced by the Stock Exchange the 1500 shares to deliver and all subsequent shares of 100 share lots or multiples thereof will be placed on the regular night clearing house sheet previous to the announced delivery date.

It has sometimes occurred that securities traded in on a when issued basis have been withdrawn or cancelled by the issuing corporation. In this event all trades are entirely cancelled and if intermediate sheets have been put through the money is returned by the Clearing House Corporation. Many instances have also occurred when owing to the long duration of trading on a when issued basis and wide fluctuations in the market price that several intermediate sheets have gone through on one issue.

The Clearance of Convertible Bonds

Effective November 25, 1929 the Stock Clearing Corporation announced that all transactions made in certain convertible bonds would be cleared on a special sheet to be delivered to the Night Clearing Branch.

At the time of publication the following issues are affected:

Name	Abbreviations
Alleghany Corp. Col. Tr. Conv. 5's, 1949	AYY '49
Alleghany Corp. Col. & Conv. 5's, 1944	AYY '44
Am. I. G. Chemical Corp. 5½% Conv. Deb., 1949	AIG 5½

Am. Int'l. Corp.
Conv. 5½'s, 1949 ..... AL 5½

Am. Tel. & Tel.
Conv. Deb. 4½'s, 1939 ..... ATT cv 4½

Atchison, Topeka & Santa Fe
Conv. Deb. 4½'s, 1948 ..... A 4½

Commercial Investment Trust
Conv. Deb. 5½%, 1949 ..... CIT 5½

Dodge Brothers, Inc.
Deb. 6%, 1940 ..... DEE 6

General Public Service
Conv. Deb. 5½'s, 1939 ..... GPV 5½

Int'l. Cement Co.
Conv. Deb. 5's, 1948 ..... ICM 5

Int'l. Tel. & Tel.
Conv. Deb. 4½'s, 1939 ..... ITT cv 4½

Mo. Pacific R. R. Co.
Conv. 5½'s, Series A, 1949 ..... MOP 5½

N. Y. N. H. & Hartford
Conv. Deb. 6's, 1948 ..... Vcv 6

Phila. & Reading Coal & Iron Co.
Conv. Deb. 6's, 1949 ..... PRC 6

Porto Rican Amer. Tobacco Co.
Conv. 6's, 1942 ..... PRT 6

Public Service Corp. of N. J.
Conv. Deb. 4½'s, 1948 ..... PUB 4½

Richfield Oil
First Mtgs. & Col. Tr. Ser.
"A" 6% Conv., 1944 ..... RIL 6cv

So. Pacific
Conv. 5's, 1934 ..... SX cv 5

Texas Corporation
Conv. 5's, Deb., 1944 ..... TX 5 RTC

Chicago, Mil., St. Paul & Pac.
Adj. 5's, 2000 ..... ST. AJ 5

Missouri, Kan. & Texas
Adj. 5's, 1967 ..... KT. AJ 5

Chicago & Northwestern R. R. Co.
Conv. 4¾'s, 1949 ..... NW. cv. 4¾'s

The Stock Clearing Corporation will probably follow out its usual method of procedure, that is, to start with a few issues and as the system develops and proves itself will add to the issues until practically all active convertible bonds will be cleared.

Presented below is a copy of the circular SCC-742 issued by the Clearing House Corporation in this connection.

General Instructions for Clearing

Only transactions in the above mentioned convertible bonds made on the floor of the Exchange "Next Day" but not transactions traded in "Seller Contract" shall be included in these clearances.

Only IM bonds and multiples thereof will be cleared.

Use only official abbreviations on sheets and tickets.

Both contracts and balances must be entered without interest (flat). Contracts must be entered on one or more pages and security and cash balances on separate page.

Exchange tickets must be exchanged not later than one hour after the Distributing Department time for exchanging tickets on cleared stocks. 3-way tickets must NOT be used. Demand Tickets must be recognized when presented after the "last call" for Convertible Bond Tickets has been made. FAILURE TO COMPLY WITH A DEMAND TICKET WITHIN A REASONABLE TIME WILL BE SUBJECT TO A FINE.

Special stationery will be required for use in regard to the special clearances for the convertible bonds listed above. Call for a supply of this stationery at your Day Branch cage on November 25th, before 11 A. M.

Delivery prices on these convertible bonds will be printed on stock tape immediately after delivery prices of stocks.

These bond clearances will be carried out in the same manner as the ordinary night clearances of cleared stocks except that the delivery of sheets and the dating of the sheets must be made in accordance with the following table:

1. For Transactions of:	2. Deliver your sheets to Night Clearing Branch by 11 A. M.	3. Date your sheet, tickets, check or drafts as of;
Monday	Tuesday	Wednesday
Tuesday	Wednesday	Thursday
Wednesday	Thursday	Friday
Thursday	Friday	Monday
Friday Saturday	Monday	Tuesday

The security balance orders will be ready for you at the Night Branch at 9 A. M. on day shown in column three above and you must deliver convertible bonds on balance through the Central Delivery Department before 2:15 P. M. on that same day. You must also settle your account at your cage in the Day Branch on that same day.

It will be noted from the preceding table that the delivery of transactions in the above mentioned convertible bonds WILL NOW BE DELAYED FOR ONE DAY.

For debit cash balances, shown on Night Branch sheet, send check drawn to order of

BANK OF MANHATTAN COMPANY

For credit cash balances, as shown on sheet, send draft.

Drafts will be ready at 12 o'clock noon on the day on which sheets are dated.

Great care should be used in making entries on sheets, exchange tickets and balance tickets, checks and drafts and in seeing that they are entered on the stationery supplied by Stock Clearing Corporation for this purpose.

Fines for errors or omissions will be enforced in the same manner as in clearances of cleared stocks.

DAY BRANCH INSTRUCTIONS

Resulting balances of the above mentioned convertible bonds to receive and deliver on Stock Clearing Corporation, Night Clearing Branch security balance orders with accrued interest (which will be computed by each Clearing Member from table of interest which will be sent out daily with your security balance orders by the Stock Clearing Corporation) will be settled through the Day Branch on the date of settlement of each clearance, but the itemized list for the convertible bonds must be separate and distinct from all other itemized lists. Actual delivery shall be made through the Central Delivery Department before 2:15 P. M. on day shown in column 3 of date table on previous page.

Note:—The same rules and principles, so far as applicable, shall govern these special clearances including matters connected therewith arising out of the insolvency of a party thereto as in the case of regular clearances and the judgment of the Stock Clearing Corporation as to the applicability of such rules and principles shall be conclusive on all parties concerned in all respects.

A supplementing circular, SCC-745, issued by the Stock Clearing Corporation as of Nov. 26, 1929, provides that if a balance to deliver resulting from a clearance of convertible bonds is not delivered on the date of delivery, fail to deliver notices shall be exchanged and the bonds thereafter must be delivered directly between members but settlement shall be made through the Day Branch of the Stock Clearing Corporation on three-way tickets and appropriate entries must be made on the respective debit contingent and credit contingent lists.

On all such fail to deliver transactions in cleared convertible bonds, interest shall be computed down to the day when delivery should have been made in accordance with the terms of the original contract.

As a result of the convertible bond clearance, delivery of transactions in such bonds will be delayed for one day and interest should be computed for all purposes to the date when delivery is to be made in accordance with date table in circular SCC-742.

Attention is called to the sentence in circular SCC-742, reading: FAILURE TO COMPLY WITH A DEMAND TICKET WITHIN A REASONABLE TIME WILL BE SUBJECT TO A FINE.

The exchange of tickets, demand notices and security balances are handled in exactly the same manner as the Clearing House Sheet covering Stock Transactions excepting that the bond sheet will be dated two days after the actual transaction and that actual receipt and delivery of securities will be two days later. The receive and deliver tickets and the balance to receive and balance to deliver tickets are also in exactly the same form as used on Stock Clearances. The color of the tickets however has been changed somewhat, all deliver tickets being printed in dark red ink on pink paper, and the receive tickets printed in black ink on light blue paper.

It should be noted particularly that the items on the convertible bond clearance sheet are figured without interest. The interest is not figured until the security balance tickets are returned with the name of the receiving or delivering broker inserted. Furthermore the interest is figured to the date the bonds actually cleared which is two days later than the transaction excepting of course on all such transactions as are carried over the week end and holidays. The table included in the circular of instructions for clearing, covers this matter thoroughly.

The convertible bond clearance sheet is a big step forward in expediting bond deliveries. It will eventually cut down to a very small minimum the transactions formerly handled on the Three Way sheet. Particular attention is also called to the fact that the convertible bond sheet together with tickets and draft or check is deliverable to the Night Clearing Branch at 11:00 A. M. of the day following the transaction. (See column two (2) in table).

COMMISSION BILLS

The Clearing House Department must also keep the record of commissions due other member brokers for trades executed in 100 share lots or multiples, the odd lots being handled without cost by the odd lots specialist. Of course a great many of the transactions are handled by the firm's own floor representative but the volume of trading in busy markets makes it impossible for one or two men to handle the firm's business. The orders are therefore given out to other brokers and the name of the executing broker appears upon the floor report and is also placed in the designated column on the Clearing House Sheet. The usual method of keeping this record is to sort the floor reports in alphabetical order and enter them in a properly indexed book usually reserving a page for each broker.

The bills are payed usually by the first and tenth of the month at the following rates:

STOCKS

From \$1.00 to \$9⅞.....\$1.25 per 100 shares

From \$10.00 to \$124⅞.....\$2.50 per 100 shares

\$125 and over.....\$3.00 per 100 shares

CHAPTER IV

Margin Department

MARGIN DEPARTMENT

The Margin Department of a Brokerage Office serves the most important purpose of providing a ready and quick reference as to the condition of all customers' Cash and Margin Accounts. This Department should at all times be prepared to state definitely and accurately the position and equity in any Customer's Account.

The word "Equity" when applied to Securities means the amount of money the customer would have if his securities were liquidated at the current market prices.

Duties

The Margin Department's work consists of:

1. Keeping each customer's position and equity as mentioned above.
2. Approving the entering of all orders to buy and sell where there is any question as to the existence of sufficient equity in the account.
3. Sending out margin calls.
4. Entering Stop Loss orders to protect the firm from loss.
5. Approving withdrawals of cash, or Stock by customers.
6. Checking position and Money Balance on all Statements sent to customers by the Bookkeeping Department.

Source of Information

The Margin Clerk must be well informed on all transactions pertaining to a Customer's Account. His Accounts are built up from the following entries:

a. Purchase and Sale of Stocks and Bonds.
b. Money Deposits and Withdrawals.
c. Securities Received and Delivered.
d. Dividends (Stock and Cash) Rights and Coupons.
e. Interest Charged or Allowed on an Account.
f. Puts and Calls.

Methods of Figuring

There are two principal methods of figuring individual Margin Accounts: One is where the value of the 'long' securities, Debit or Credit Balance, and the Equity are shown; the other is where only the 'long' and 'short' securities, the market price and the equity are shown. The latter method, with the addition of keeping the ledger balance, is the only one used on those accounts known as 'Wire Accounts.' These are accounts of other brokerage houses either out of town, or local, who do their trading through another house. Wire accounts usually carry a large number of different securities and this latter method is usually employed for such accounts as it is quicker and less complicated.

The idea underlying either method of figuring margin is to show what equity or credit would be left in the customer's account if the long securities were sold and the short securities covered (bought) at the current prices shown on the margin card.

The Margin Department may keep its individual accounts on either cards, sheets, or silicate slates, but the method of figuring is the same. The Wire Accounts are usually kept on silicate slates due to the great number of securities that are carried.

Examples of Ledger Balance Method

The following examples of individual accounts show the first method, i. e., using the debit or credit balance and the extensions of the securities.

Mr. X buys 100 Coca Cola @ 145, costing $14,500 plus $25 commission making a total of $14,525, and deposits $8,500 as margin.

The first thing to do is to arrive at Mr. X's money balance. The stock cost $14,525 which is a debit, less $8,500 credit which leaves a debit balance of $6,025.

Now the Margin Clerk enters on the margin card, as follows: Mr. X.

100 Coca Cola	145	$14,500
Debit Balance		6,025
Equity		$8,475

Suppose the market price of Coca Cola declines to 140. Only the equity would be changed, as fluctuations in prices of securities do not affect the money balance in an account.

The margin card would now show:

Coca Cola	140	$14,000
Debit Balance		6,025
Equity		$7,975

Mr. X buys 100 Arnold Constable @ 28 . . . $2,815. This is a debit and increases the debit balance from $6,025 to $8,840.

The margin card appears as follows:

100 Coca Cola	140	$14,000
100 Arnold Constable	28	2,800
		16,800
Debit Balance		8,840
Equity		$7,960

Now Mr. X sells 100 Sinclair Oil @ 35½ . . . $3,550 less $15 commission and $2 State, and $2 Federal tax, leaving a credit of $3,531. This credit reduces his previous balance of $8,840 to $5,309. This short trade is entered on the right hand side of the margin card and the value of the short stocks is deducted from the value of the longs.

The margin card would then show as follows:

100 Coca Cola	140	$14,000	100 Sinclair Oil	36	$3,600
100 Arnold Constable	28	2,800			
		16,800			
Shorts		3,600			
		13,200			
Debit Balance		5,309			
Equity		$ 7,891			

This equity of $7,891 means that if Mr. X sold his long stock he would be credited with $16,800, and if he covered his short stock he would be charged $3,600, which would leave a net credit of $13,200. The account shows a debit balance previously of $5,309 which, after the closing out of all his holdings would leave an equity or credit balance of $7,891, less commission and tax for buying and selling, and the interest charges.

Mr. X now deposits $3,000 as additional margin. This would reduce his debit balance from $5,309 to $2,309.

His card would then show as follows:

100 Coca Cola	140	$14,000	100 Sinclair Oil	36	$3,600
100 Arnold Constable	28	2,800			
		16,800			
Shorts		3,600			
		13,200			
Debit Balance		2,309			
Equity		$10,891			

Mr. X sells 100 Hartman B 32-⅛ . . . $3,193.50. From this credit of $3,193.50 deduct his previous debit balance of $2,309, which leaves a credit balance of $884.50. The margin card would then show the following record:

100 Coca Cola	140	$14,000	100 Sinclair Oil	36	$3,600
100 Arnold Constable	28	2,800	100 Hartman B	32	3,200
		16,800			$6,800
Shorts		6,800			
		10,000			
Credit Balance		884			
Equity		$10,884			

In almost all brokerage houses, the margin department disregards the pennies in figuring the balance and equity. The

above example shows that if all the longs were sold and the shorts covered the customer would have a credit of $10,000 plus his credit balance of $884, making his equity the total, $10,884.

Mr. X now sells 100 Coca Cola @ 141½, $14,121. This credit increases the previous credit balance of $884 to a new credit balance of $15,005.

The margin card would now show:

100 Arnold Constable	28	$2,800	100 Sinclair	36	$3,600
			100 Hartman B	32	3,200
					$6,800
			Longs		2,800
					$4,000
			Credit Balance		15,005
			Equity		$11,005

The above example shows that if Mr. X sold his long stocks and covered his short stocks at the above prices the result would be a debit of $4,000, and as his account shows a credit balance of $15,005, his equity would be the difference, $11,005.

Mr. X now withdraws $5,000 from his account, which reduces his credit balance to $10,005, and his equity to $6,005.

Mr. X requests that the 100 shares of Arnold Constable that he is long be transferred to his name and delivered to him.

Assuming that there is sufficient equity to warrant his transfer, the Margin Clerk will make out instructions to transfer 100 shares Arnold Constable to Mr. X's name. These instructions are passed on to the Cashier's cage.

His margin card now would show:

100 Arnold Constable...Tfr (date)	100 Sinclair	36	$3,600
	100 Hartman B	32	3,200
			6,800
	Credit Balance		10,005
	Equity		$3,205

As soon as the instructions are given, the Margin Clerk then erases the value and price that were shown previously against the stock. By putting no value on the stock and marking it Tfr, showing that it is in transfer, the equity is automatically reduced $2,800, which was the value put on the stock before.

When the stock has been transferred and delivered to Mr. X, the Margin Clerk simply erases the stock, which was long, from his margin card. This erasure does not alter the rest of the account since no value was put on the stock.

The margin now appears as follows:

100 Sinclair	36	$3,600
100 Hartman B	32	3,200
		6,800
Credit Balance		10,005
Equity		$3,205

Mr. X now sends to the broker, directly or indirectly, 100 shares of Sinclair and withdraws $5,000 from his account. This transaction would appear on the Receive Blotter as "100 shares Sinclair received for account of Mr. X for $5,000.00." This $5,000 may either appear on the Receive Blotter or on the Cash Sheets. This debit of $5,000 reduces the credit balance to $5,005 and the 100 shares of Sinclair received will cover the 100 shares which were short.

The margin card will now show:

100 Hartman B	32	$3,200
Credit Balance		5,005
Equity		$1,805

Mr. X delivers to his broker 25 shares of International Mercantile Marine, directly or indirectly, without withdrawing any money. His account would now show long of the stock, and the Margin Clerk would then enter the stock with the market price on the card.

The card would show as follows:

25 International Mercantile M.	32	$800	100 Hartman B	32	$3,200
			Longs		800
					$2,400
			Credit Balance		5,005
			Equity		$2,605

Mr. X now buys 100 Hartman B @ 35 . . . $3,515. This debit of $3,515 reduces his credit balance of $5,005 to $1,490 and the purchase covers the short of 100 Hartman B.

The margin card now appears as follows:

25 International Mercantile Marine	32	$800
Credit Balance		1,490
Equity		$2,290

As there is enough equity to fully pay for the 25 shares of International Mercantile Marine, the Margin Clerk would show the stock fully paid with a credit balance of $1,490 as follows:

25 International Mercantile Marine	.....
Credit Balance	$1,490

Now if the customer wanted to close his account he would have the 25 shares of International Mercantile Marine delivered to him and receive from the broker a check for $1,490 less interest charges on his account.

Eliminating the Ledger Balance

The following examples will show the other method of figuring margins, under which method the card shows only the

number of shares long or short, the price, and the equity. In illustrating this method we will follow the same account as previously shown.

Mr. X buys 100 Coca Cola @ 145, costing $14,500 and $25 commission, making a total of $14,525, and deposits $8,500 as margin.

100 Coca Cola	145	
Equity		$8,475

By entering the 100 Coca Cola at 145, the Margin Clerk is figuring that Mr. X will receive $14,500 for the sale of the stock. As the stock cost $14,525 there is a loss of $25 which reduces the equit from $8,500 to $8,475.

Now suppose the market price of Coca Cola declines to 140. This is a loss of 5 points on 100 shares, which makes $500. This loss is deducted from his equity of $8,475, making the equity now $7,975.

The margin card would show:

100 Coca Cola	140	
Equity		$7,975

Mr. X buys 100 Arnold Constable @ 28, $2,815. Entering the stock at 28 ($2,800) which shows a loss of $15 and accordingly reduces his equity to $7,960.

The margin card would show:

100 Coca Cola	140	
100 Arnold Constable	28	
Equity		$7,960

Mr. X sells 100 Sinclair @ 35½, $3,550, less commission and tax amounting to $19, leaving a credit of $3,531. This short trade is entered on the card, say at 36. This means that the stock would cost $3,600 to purchase (cover). Since Mr. X only received $3,531 for the sale of the stock and the Margin Clerk figures it would cost $3,600 to cover it, there is a loss of the

difference amounting to $69. His previous equity of $7,960 is reduced to $7,891.

The margin card would show:

100 Coca Cola	140	100 Sinclair	36
100 Arnold Constable	28		
Equity	$7,891		

Mr. X now deposits $3,000 as additional margin. This would increase his equity from $7,891 to $10,891.

The card would now show:

100 Coca Cola	140	100 Sinclair	36
100 Arnold Constable	28		
Equity	$10,891		

Mr. X now sells 100 Hartman B @ 32⅛, $3,193.50. This short trade is entered on the card, say at 32 (3,200). Figuring the stock would cost $3,200 to cover, and as Mr. X only received $3,193 for the sale, his equity would be reduced the difference, $7, which now makes his equity $10,884.

The margin card would now show:

100 Coca Cola	140	100 Sinclair	36
100 Arnold Constable	28	100 Hartman B	32
Equity $10,884			

Mr. X now sells 100 Coca Cola @ 141½ ($14,121.) The Margin Clerk had figured that Mr. X would only get $140 a share, $14,000, when he sold the stock. Instead Mr. X received $14,121. The difference of $121 is a gain which increased the equity from $10,884 to $11,005.

The margin card now shows:

100 Arnold Constable	28	100 Sinclair	36
		100 Hartman B	32
Equity $11,005			

Mr. X now withdraws $5,000 from his account, which reduces his equity to $6,005. Mr. X requests that 100 Arnold Constable which he is long be transferred to his name and delivered to him. Assuming that there is enough excess equity, the Margin Clerk will give instructions to make the transfer. As the Margin Clerk had valued the stock at $2,800 this would decrease the equity from $6,005 to $3,205 as the Margin Clerk, after giving instructions to transfer the stock, cannot place any value on it.

The margin card would show:

100 Arnold Constable...Tfr (date)		100 Sinclair	36
		100 Hartman B	32
	Equity $3,205		

When the stock is transferred and delivered to Mr. X the Margin Clerk simply erases the 100 shares of Arnold Constable he was long, which does not again affect the equity.

Mr. X now delivers 100 shares of Sinclair to the broker, directly or indirectly, and withdraws $5,000. The Margin Clerk had figured that the stock would cost $3,600 to cover, instead of which there was $5,000 paid out. This difference of $1,400 would decrease his equity from $3,205 to $1,805.

His margin card would show:

		100 Hartman B	32
	Equity $1,805		

Mr. X now sends to the house 25 shares of International Mercantile Marine, directly or indirectly, without withdrawing any money. Assuming the stock is selling @ 32 (value $800) this would increase the equity from $1,805 to $2,605.

The margin card would now show:

25 International Mercantile Marine	32	100 Hartman B	32
	Equity $2,605		

Mr. X now buys 100 Hartman B @ 35, $3,515. The Margin Clerk had figured that Mr. X would only have to pay $3,200 when he covered the short of 100 Hartman B, instead of which he had to pay $3,515. The difference of $315 is a loss and is deducted from the previous equity of $2,605, making it now $2,290.

The margin card would now show:

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25 International
Mercantile Marine 32
Equity $2,290

As there is enough equity to fully pay for the 25 shares of International Mercantile Marine, the Margin Clerk would show the stock fully paid for, and a credit balance of $1,490 by deducting the value of the long stock, $800, from the previous equity of $2,290.

His margin card would now show:

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25 International Mercantile
Marine
Credit Balance $1,490

Wire Accounts

In the handling of wire accounts the same principle as outlined in the second method for figuring individual accounts is applied, but on a much larger scale. In addition, the ledger balance is recorded on the slate above the amount of equity. This balance, as explained in method one, for figuring individual accounts is only changed when funds, no matter what they are for or where they are from, are charged or credited to the account.

The Margin Clerk enters on large sheets, or they are entered for him by an Extension Clerk, the stocks and bonds purchased and sold during the day by their correspondent. At the close of the day's business the Margin Clerk foots the sheets to determine whether the correspondent bought or sold stocks on balance. If they bought more than they sold, he must increase

their ledger debit balance by this amount. If they sold on balance, then he must reduce their debit balance. This differs slightly from the individual method, whereas, in individual accounts the ledger balance is changed as soon as a trade is entered in the account. If he were to change the balance with every trade in a wire account, he would have to make at least fifty to a hundred changes a day. The idea then of listing the purchases and sales on a sheet, is not only to save time, but also to reduce errors to a minimum.

At the end of the day, after he has posted all the blotter items and changed his ledger balance due to the day's trading, the Margin Clerk must then ascertain the market value of his shorts and add it to his ledger debit balance, listing the short value and the ledger balance separately. The total of these are used for determining the marginal requirements on the account, which is explained fully in the following chapter on requirements.

The Margin Requirements

The three principal methods of figuring margin requirements are as fallows:

(a) At a specified percentage of the market value of the stock being carried.

(b) At a splendid number of points for stocks selling between certain prices.

(c) At a specified percentage of the debit balance.

The first two methods are used for figuring requirements on individual accounts, and the third method is used for wire accounts.

Percentage of Market Value

The percentage required is usually 35%. Under this method if a customer were long 100 Radio selling at $100 a share, and 50 shares of General Motors selling at $40 a share, the total value of the two stocks would be $12,000—Figuring 35% of $12,000 would be $4,200. This $4,200 would be the margin requirement at 35%.

Required Number of Points

Each brokerage house has its scale of points, the average requirement being as follows:

Stock selling under			$10.00 a share	Cash Only
"	"	between	10-20 " "	7 points
"	"	"	20-30 " "	9 "
"	"	"	30-40 " "	13 "
"	"	"	40-50 " "	17 "
"	"	"	50-60 " "	21 "
"	"	"	60-70 " "	25 "
"	"	"	70-80 " "	29 "
"	"	"	80-90 " "	33 "
"	"	"	90-100 " "	35 "
"	"	"	100-150 " "	40 "
"	"	over	150 " "	special arrangements

Therefore, as indicated previously, where a customer has 100 shares Radio selling at $100 a share, the requirements on a point basis would be $3,500, which is 35 points as shown in the above table. On 50 General Motors selling at $40 a share, he would require 17 points a share or $850, making his total marginal requirements $4,350 for both stocks.

Percentage of Debit Balance

On wire accounts the average percentage is 30%. As previously mentioned, the Margin Clerk must always keep on his slate, the ledger debit balance, plus the value of the short stocks, if any. It is on these figures that the 30% is figured to obtain the requirements.

For example:

If there are no short stocks, and the ledger debit balance is $400,000, the margin requirement would be $120,000.

If the account has a ledger debit balance of $350,000 and the shorts amount to $50,000, the total would be $400,000 and the margin requirements $120,000.

When a stock is sold short, there appears on the ledger, what is termed, "A False Credit," which reduces the ledger debit balance by the amount of the sale. We must, therefore, add to

the ledger debit balance the total of the shorts, to get a true debit balance, upon which to figure requirements.

There are sometimes cases where the shorts exceed the longs. Then in the first two methods you would figure the requirements on the shorts, the same as you would do on the long stocks.

In the third or last method, where the shorts exceed the longs you would naturally have a ledger credit balance, instead of a ledger debit balance, so the margin requirement would be 30% of the value of the shorts.

Approving Orders (Weak Accounts)

At times customers give orders to purchase additional shares of stock when there is a doubt as to whether there is sufficient equity in the account. In such cases the Margin Clerk must determine if there is enough equity to warrant putting the order in and if there is, he will approve the entering of the order.

Margin Calls

When there is a decline in the market value of the holdings of a customer to a point where the equity in his account no longer satisfies the margin requirements, then the Margin Clerk calls for additional margin. This is known as a margin call.

The exact wording of a margin call varies, but it is generally to this effect "Due to the depreciation in the value of the securities we are carrying for your account, we are in need of $5,000 as additional margin. Kindly forward a check for this amount to bring your account up to the proper requirements."

After making margin calls the Margin Clerk must keep proper memorandums of these calls to make sure that the customers respond. Should any customer fail to answer the margin call, the Margin Clerk should then take the matter up with the head of the department.

Stop Loss Orders

If after repeated margin calls, there is no additional margin provided by the customer, or in case there is a violent change in the market where there is not sufficient time to notify the

customer to put up more margin, the Margin Clerk places stop orders on the customer's securities. These orders are generally placed at a price as near to the exhaust of the margin as possible without the broker taking the risk of sustaining any loss. Take for example, the following account on the margin card:

100 Jewel Tea	65	
100 Park & Tilford	45	
Equity		$1,200

As the above account only has six points margin, the Margin Clerk enters stop orders to sell 100 Jewel Tea @ 62, and 100 Park & Tilford @ 42. These stop orders are entered on sell-order-slips and given to the Order Clerk. At the same time the Margin Clerk notifies the customer as follows:

"Pending the receipt of a check for $2,300 as additional margin, we have placed the following stop loss orders on your account to "Sell 100 Jewel Tea @ 62, and 100 Park & Tilford @ 42."

The Margin Clerk would now change the card as follows:

100 Jewel Tea	62 Stop entered (date)
100 Park & Tilford	42 Stop entered (date)
	Equity $600

Should the Margin Clerk receive the check from the customer before the stop orders are executed he will then cancel these orders to sell. Once these orders are entered, the Margin Clerk need no longer worry about the account.

Withdrawal of Cash or Securities

If a customer wishes to withdraw cash or stock from his account, these withdrawals must be passed upon by the Margin Clerk. The Margin Clerk must first ascertain whether there is enough excess equity to warrant such withdrawals. It is very important that, before a new account is closed or money drawn from it, the Margin Clerk should make sure that the check originally deposited, when the account was opened is

valid. There have been cases where a customer has opened an account, depositing as margin an out of town check, and before the check had been cleared has closed his account, and in a day or two the check has been returned unpaid.

When a customer buys securities for cash, in other words paying for them in full, the Margin Clerk must make sure that these securities are fully paid for before passing instructions to transfer them or deliver them to the customer.

Verification of Statements

At the end of the month the Bookkeeping Department renders monthly statements to all customers, and occasionally, upon special requests renders statements during the month. Before these statements are mailed to the customers, they are checked by the Margin Department. The Margin Clerk, since he does not figure interest himself, first changes his balance and equity in accordance with the interest debited or credited on the customer's statement. He then checks the money balance and position with his margin card. In case he has a difference in the money balance, the Margin Clerk, before mailing the statement checks up with the bookkeeper to find who is in error. Should there be a difference in the position, the Margin Clerk will refer to the stock record book to see whether he or the Bookkeeper is correct. After all the statements are checked by the Margin Department, they are passed on to the Mailing Department.

Other Important Details

Some of the important points to be kept in mind in properly maintaining margin accounts are as follows:

(1) Keep memorandum of instructions regarding securities to be delivered or received.

(2) When a stock sells ex-dividend, make note of the stock and the amount to be credited to the account when the dividend is payable. An unpaid dividend helps to strengthen an account when the margin runs low.

If the customer is short of a stock which sells ex-dividend, the Margin Clerk must make note to withhold such amount, in case the account is closed before the Dividend Clerk makes a charge for same.

(3) He must reduce his sell stop price on his margin card or slate, when a stock sells ex-dividend, as the Order Clerk automatically reduces the original order.

(4) Do not pay a customer for the sale of a stock sold out of town until you have been paid by the broker who purchased the stock from you. The reason being, that stocks are sometimes in transit two or three days, and if the wrong stocks were sold, or the stock certificates were worthless, the customer would have had time to cash the check and leave for parts unknown.

(5) Make note of the date and the amount of checks cashed for a customer in order to guard against his closing the account before his checks are cleared, in case the checks are returned to you by the bank and prove to be worthless.

(6) Be posted as to customer's wishes regarding stockrights in his account. A subscription to additional stock is figured in the same manner as a regular purchase, and margin must be figured on it.

(7) Check in Order Clerk's open order book at least once a week, to see whether there are any orders still in, for an account which has been closed, and the open orders not cancelled.

(8) The customer's name should appear on each account. This is needed in case of a margin call, or where information is required regarding the account.

(9) When a customer has all of his securities paid for, and he wishes to leave them with the broker, the Margin Clerk must then instruct the Loan Clerk to put these securities in safekeeping for the customer.

(10) A customer very frequently enters a stop loss order on a security, in answer to a margin call, or to reduce his margin requirements in order to take on additional stocks. These stop orders must be entered on the margin and checked frequently, to make sure that they have not been concelled or changed.

(11) If a customer should buy and sell a "When Issued Stock" at a profit, do not apply his profit as margin on other trades, or pay the profit to him if he should close his account before the stock is regular. But, if he bought and sold at a loss, make sure he has sufficient margin to take care of the loss.

The reason is that the trades or transactions in the stock may be nullified if the plan for the new stock is not approved.

Margin calls are not usually made unless the customer's equity falls below twenty-five (25%) per cent of the firm's margin requirements.

The Margin Clerk must be familiar with the market price and abbreviations of all active stocks. When the Market is rapidly declining he must constantly refigure his accounts during the day, at the same time making margin calls and at the end of the day after the close, he must refigure all of his accounts at the closing prices, and make whatever additional calls are necessary.

When a new account has been opened by a purchase of some security (with no money deposited), which may occur where the account has been approved, and the deposit is to be sent later on, the Margin Clerk must make a memorandum to make certain that the deposit is received in the specified time.

Accuracy

The primary requisite for a good Margin Clerk is accuracy. He must recheck all his calculations before making any changes on his margin cards, as there is no check on his work, except when statements are rendered, or when he occasionally refers to the ledger to check any account on which he suspects he might have made a mistake. Unless a Margin Clerk is very careful he may let a customer overtrade or allow an account to go in debt, or close an account when not justified, thereby causing the firm to suffer a loss. When an account has been closed out by mistake, it is necessary for the firm to reinstate the account by repurchasing the securities sold in error or selling the stocks bought in error. This may cause a loss due to the market price having changed in the meanwhile. The Margin Clerk must familiarize himself with all his accounts. He must know which are his weak long accounts in order that he may turn to them first in the case of a decline in the market, and which are the short accounts in case of a rise in the market. The number of "short" accounts is small compared to the number of "long" accounts. He must also know which accounts have excess equity so that in case a customer desires to purchase additional stock there will be no delay in approving the order. Such delay should be avoided because the market is changing at all times.

CHAPTER V

Bookkeeping Department

BOOKKEEPING DEPARTMENT

The Bookkeeping Department of a brokerage office is confronted with the necessity of keeping its work up-to-date, under all conditions. This is necessary as the books are subject to reference at all times, and must be in such condition that the status of a client's account may be known at any time during the day and may be given to the client promptly upon his request.

While the volume of work in a brokerage house may be heavy at times the variety of transactions is rather limited and the greater proportion of these transactions are clean-cut and rather simple to handle. The bookkeeping system and methods of the brokerage house are accordingly quite simple, and well standardized. In contrast to the bookkeeping work of a commercial house, there are no such items as freight rates, freight bills, insurance, and other transactions of a similar character which tend to complicate the bookkeeping work of a commercial house.

General Principles

The double-entry system of bookkeeping is used, and in the handling of cash transactions the regular principles of debit and credit are employed in making such entries. Security items, however, are recorded in the opposite manner. For instance, if a customer buys a security or delivers a security to his broker, it is placed on the debit (or receiving side of the account) while securities sold or delivered are entered on the credit (or delivery side) of the account. The following example shows a few typical transactions, without interest being charged. The handling of interest transactions will be fully explained in later paragraphs.

John Smith, a customer of Otis & Company, buys 100 U. S. Steel at 233 plus $30 commission and deposits 200 shares of Anaconda stock as margin, and requests actual delivery of 50 shares of the Steel purchased. The entries and the statement at the end of the month, would be:

DR. JOHN SMITH, in Account with Otis & Co., Brokers, Cr.

Sept. 20	100	U. S. Steel	233	23330	Sept. 21	50	U. S. Steel Del.	.....
" "	200	Anaconda Rec'd		.....	"	30	Balance	23330
				23330				23330
Sept. 30		Balance		23330				
	Long	50 U. S. Steel						
		200 Anaconda						

The above illustration is presented for the purpose of showing the method of making entries. However, in rendering a statement, interest would be charged at the current rate on the debit balance of $23,330 from September 20th to the end of the month. The handling of transactions involving interest charges is explained below.

Cash vs. Margin Transactions

When a broker buys securities for his customer, the broker must make payment in full for the security. In the event of the customer buying the security outright, that is, making payment in full, the broker will charge no interest, provided, of course, that the customer makes immediate payment. If the customer purchases securities on margin the customer must pay interest for the entire time the securities are carried. He is therefore charged interest on the actual cost of the stock less the amount of cash that may be deposited as margin.

Types of Statements

Brokerage houses employ two types of statements. In the first type the interest is figured on each individual debit and credit item from the date of debit or credit to the end of the month, or to the date the statement is rendered. In the other type of statement the interest is figured on the daily balances of the account. The daily balance system is used to considerable advantage in brokerage bookkeeping, especially in the handling of active trading accounts. In some houses bookkeeping machines are used. Where they have bookkeeping machines, the house uses the daily balance system, but there are some houses that use the daily balance system and make the postings by hand. In using this system there are fewer items to be figured on. In both methods a 360-days-per-year basis is used in calculating the interest amounts.

The Decimal or 6% System for Figuring Interest

The interest on $6,000 for one year at 6% is $360. Therefore, for 60 days or 1/6 of the year, the interest would amount to 1/6 of $360 or $60. The same result is obtained by simply pointing off two decimal places, viz., interest on $6,000 for 60 days @ 6%= $60.

This method may be used as the basis for figuring interest items on any amount.

Examples illustrating the method of figuring interest by the system of pointing off two places are presented below:

The number of days on which interest is calculated in connection with brokerage statements usually range from one to

thirty-one days, in view of which a simple method for figuring the interest, is by means of the system of pointing off three places on the amount involved in order to obtain the interest for six days at 6%. Then by obtaining the fractional number of days above or below six days the interest on the actual number of days may be readily calculated. When the actual number of days on which interest is to be calculated are 60, 30, 20, 15, or 10, the method of pointing off two places is much quicker, but where the number of days is any number other than these just mentioned, the method of pointing off three places will usually be found to be the one most satisfactory to use. Examples of figuring the interest by pointing off three places on the amount involved are given in the following table:

Pointing Off Three Places on $9,060.75

1 day	is	1/6 of	$9,060— 1.51
2 days	"	2/6 or 1/3	9,060— 3.02
3 days	"	3/6 or 1/2	9,060— 4.53
4 days	"	4/6 or 2/3	9,060— 6.04
5 days	"	5/6	9,060— 7.55
6 days	"	6/6 or 1	9,060— 9.06
7 days	"	7/6 or 1-1/6	9,060—10.57
8 days	"	8/6 or 1-1/3	9,060—12.08
9 days	"	9/6 or 1-1/2	9,060—13.59
10 days	"	10/6 or 1-2/3	9,060—15.10
11 days	"	11/6 or 1-5/6	9,060—16.61
12 days	"	12/6 or 2	9,060—18.12
13 days	"	13/6 or 2-1/6	9,060—19.63
14 days	"	14/6 or 2-1/3	9,060—21.14
15 days	"	15/6 or 2-1/2	9,060—22.65
16 days	"	16/6 or 2-2/3	9,060—24.16
17 days	"	17/6 or 2-5/6	9,060—25.67
18 days	"	18/6 or 3	9,060—27.18
19 days	"	19/6 or 3-1/6	9,060—28.69
20 days	"	20/6 or 3-1/3	9,060—30.20
21 days	"	21/6 or 3-1/2	9,060—31.71

22 days	" 22/6 or 3-2/3	9,060—33.22
23 days	" 23/6 or 3-5/6	9,060—34.73
24 days	" 24/6 or 4	9,060—36.24
25 days	" 25/6 or 4-1/6	9,060—37.75
26 days	" 26/6 or 4-1/3	9,060—39.26
27 days	" 27/6 or 4-1/2	9,060—40.77
28 days	" 28/6 or 4-2/3	9,060—42.28
29 days	" 29/6 or 4-5/6	9,060—43.79
30 days	" 30/6 or 5	9,060—45.30
31 days	" 31/6 or 5-1/6	9,060—46.81

This method may be used as the basis for figuring interest items on any amount.

Examples illustrating the method of figuring interest by the system of pointing off two places are presented below:

Interest at 6% on $9,000 for 60, 30, 20, 15, 10 and 6 days:

60 days	$90.00	15 days or 1/4 of 60 days	22.50
30 days or 1/2 of 60 days	45.00	10 days or 1/6 of 60 days	15.00
20 days or 1/3 of 60 days	30.00	6 days or 1/10 of 60 days	9.00

Interest on all items in both types of statements is always figured at 6% for two reasons: One because it is much quicker, and the other because the brokers do not know until the end of the month what their interest charges will average, therefore, they are unable to state what rate is to be charged the customers until the last day of each month.

Adjusting the Rate of Interest

The rate charged the customers depends on the call and time money rates during the period, the nature of the account, that is, whether the client is carrying full lots or odd lots, the activity of the account and whether the securities are listed or unlisted. It is therefore necessary for the bookkeeper after having arrived at the difference between the debit and credit interest items on the statements at the end of the month, to properly adjust the difference at 6% to whatever rate of interest is decided upon as the rate for the month.

The following examples show the adjustment necessary in the statement after the balance of interest at 6% has been obtained.

In these examples we will assume that the balance of interest at 6% amounts to $16.40.

Interest at 6%	$16.40
Interest at 8% or plus 1/3 of 6% equals	5.46
Interest at 8%.....	21.86
Interest @ 6%	16.40
Interest @ 5%— Minus 1/6 of amount 1/6 of 6%	2.73
Interest @ 5%	13.67
Interest at 6%	16.40
Interest at 4% Minus 1/3 of amount..	5.47
Interest at 4%	10.93
Interest @ 6%	16.40
Interest @ 3% ..... Minus 1/2 of amount 1/2	8.20
Interest @ 3%	8.20

Interest @ 6%	16.40
Interest @ 5½% or minus 1/12 of amount 1/12 of 6%..	1.37
Interest @ 5½%	15.03
Interest @ 6%	16.40
Interest at 4½% or minus 1/4 of amount 1/4 of 6%	4.10
Interest at 4½%	12.30
Interest at 6%	16.40
Interest at 3½% minus 1/3 to obtain 4% and minus 1/12 to obtain 3½%. Less 1/3 to equal 4%.	5.46
	10.94
Less 1/12 to equal 3½%	1.37
Interest at 3½%	9.57

Any desired rate may be obtained by using the method illustrated above.

Different combinations in figuring may be used to get the same result: For example, where the "balance of interest" item at 6% is $40 and you are to charge your customer 6¾%, you may divide by 8 which will give you the interest at ¾%, or $5, making the total interest at 6¾% equal $45. Since interest at ¼% is 1/24 of the amount at 6%. To obtain the interest at ¼% when you have the amount at 6% it would be necessary to divide by 24. Then to get the interest at ¾%, you would

multiply this amount by 3. However, instead of dividing by a figure as large as 24, since ¾% equals ⅛ of the interest at 6%, by simply dividing the amount of the interest at 6% by 8 the interest at ¾% is obtained.

Figuring Interest on Each Item

The following statement represents in concrete form a picture of the account as it would appear in the ledger. The only possible variation from this form would be the interest columns, which, in some cases do not appear on the ledgers, and instead only the amount of the interest being debited or credited at the end of the month are shown. In some offices, however, the ledger sheets are run in duplicate by using a carbon paper between the original and duplicate. In this case the statement would be an actual copy of the ledger sheet. When not run in duplicate it is necessary to copy each item on the statement sheet.

The statement below is the type used where the interest is figured on each individual transaction.

Dr. Chas. Anderson In Account with Wall & Co., Brokers Cr.

Date		Amount	Days	Int.	Date		Amount	Days	Int.
May 1	100 V Amer. Power & Lght. 107⅛	10737.50	30	53.68	May 1	Check	6500.	30	32.50
20	100 Corn Prod. 95½.	9570.	11	17.55	10	100 V Amer. Power & Lt. 106	10571.	21	37.00
31	Int. 6%+2% Carrying Charges	2.31						Balance	
					31	Balance	3238.81	Int.	1.73
		20309.81		71.23			20309.81		71.23
May 31	Balance	3238.81							
	100 Corn Prod. Long								

Figure No. 14

The above statement shows that on May 1st Mr. Anderson bought 100 Am. Power & Light at 107⅛, $10,712.50 plus $25 commission, making a total of $10,737.50. On the same date on the credit side under date of May 1st is an entry of a check for $6,500 which is the amount the customer deposited as margin. On the 10th is a sale, (which is on the credit side,) of 100 Am. Power & Light at 106, $10,600 less commission and tax, $29.00 leaving $10,571 to be credited to the account. On the 20th Mr. Anderson buys 100 Corn Products at 95½, total $9,570. The figuring of interest on these transactions is handled as follows: On the first purchase from May 1st to May 31, there is charged 30 days at 6% which amounts to $53.68. On the purchase of May 20th to May 31, there is charged 11 days interest which amounts to $17.55; giving a total of debit interest charged amounting to $71.23. The credit side shows as of May 1st a check for $6,500, on which interest is allowed to the end of the month, which is 30 days and amounting to $32.50. On the 10th is shown a sale amounting to $10,571. On this item from the 10th to the 31st of the month 21 days of interest is allowed, amounting to $37. The total amount of credit interest is $69.50.

To balance the interest account we proceed as follows: The total of the debit interest amounts to $71.23, and the credit interest amounts to $69.50, therefore, the difference the customer would owe at 6% would be $1.73. This balance of interest ($1.73) is shown on the credit side of the statement in the interest column. The rate to be charged is 8%. By dividing $1.73 by 3, we obtain the interest at 2%, which amounts to $0.58. This added to the $1.73 gives us the interest at 8%, amounting to $2.31. This amount is charged under date of May 31st, and the account is now ready to balance for the month. The total debit amount after charging $2.31 for interest for the month amounts to $20,309.81, while the credits amount to $17,071. The difference between these two amounts is $3,238.81, which appears on the credit side of the statement after item of "Balance."

This balance of $3,238.81 is now brought down on the debit side of the statement under date of May 31st. Under this balance is recorded the long stock, 100 Corn Products. This means Charles Anderson, on May 31st, owes the firm $3,238.81, but is long 100 Corn Products.

Checking Out Security Position

After posting a sale transaction, the position should be always checked off. For example, on the sale recorded for the date of May 10th, 100 American Power & Light there is a check mark after the 100 and also a check mark after the purchase of 100 shares bought on May 1st. Where numerous trades are made during a month some method of keeping a record of the position of the account is necessary, that is, whether long or short, and to what extent the account may be long of short. This is called "Checking a position." All securities remaining unchecked on the debit side at the end of the month would be in the long position and would be carried over in this position at the beginning of the statement for the following month.

The following statement will show Mr. Anderson's account after he had sold his 100 shares of Corn Products stock.

Dr. Chas. Anderson In Account with Wall & Co., Brokers Cr.

Date		Amount	Days	Int.	Date		Amount	Days	Int.
May					June				
31	Balance ..	3238.81	30	16.19	27	100 V Corn			
	100 V Corn					Prod., 96.	9576.	3	4.78
	Prod., Long.					Bal. Int..			11.41
June									
30	Int. 6% + 1% Carrying Chg.	13.31							
	Balance ..	6323.88							
		9576.		16.19			9576.		16.19
					June				
					30	Balance.	6323.88		

Figure No. 15

Balancing the Statement

Continuing with the foregoing statement from May 31st, the customer is shown with a debit balance on May 31st of $3,238.81 and long, 100 Corn Products. On June 27th the Corn Products was sold at 96, the net credit being $9,576. The interest charge for 30 days on the debit balance of May 31st, is $16.19, while on the sale amounting to $9,576 on June 27th interest for three days is allowed, amounting to $4.78. The balance of interest at 6% amounts to $11.41. The brokerage firm is charging Mr. Anderson, 7% interest. Therefore, to obtain the interest at this rate you divide $11.41 by 6 to get 1% and add this amount to the $11.41, which gives the interest at 7%, amounting to $13.31. This amount is charged as of June 30th. The money credit amounts to $9,576, and the debits amount to $3,252.12, so the difference to be entered on the debit side under the heading of "Balance" is $6,323.88. This balance is now brought forward on the credit side under date of June 30th, which shows that Mr. Anderson now has a credit in his account of $6,323.88.

Closing the Account

The following statement shows where Mr. Anderson, on July 12th, decides to withdraw whatever money he has in his account.

Dr. Chas. Anderson In Account with Wall & Co., Brokers Cr.

Date		Amount	Days	Int.	Date		Amount	Days	Int.
July 12	Check ...	6330.20			June 30	Balance ..	6323.88	12	12.65
	Bal. Int...			12.65	July 23	Int. 3%...	6.32		
		6330.20		12.65			6330.20		12.65

Figure No. 16

On the credit side of the foregoing statement the balance under date of June 30th, is shown as $6,323.88; as the account is to be closed on July 12th, the interest will be figured on 12 days at 6%, which amounts to $12.65. The brokerage house is allowing Mr. Anderson 3%, so he is credited under date of July 12th with interest at 3%, $6.32. This added to his credit balance of $6,323.88 gives a total credit of $6,330.20. This amount is entered on the debit side of the statement, under date of July 12th, as check $6,330.20, which transaction closes the account. The statement is then given to the Margin Department to be checked.

Short Sales

The statement presented on the following page shows the account of a customer with long and short transactions. When a customer sells securities short, he is not allowed interest on his short trades. However, if the stock is bought (covered) during the month, he is charged with interest from the date of purchase to the end of the month, and on the short sale he is credited from the date the stock was purchased or covered, but not from the date it was originally sold. In other words, when the stock is covered and he is "**charged**" interest he is allowed the same number of days interest on the sale. When a customer sells short and does not cover before the end of the month, no interest is allowed. InI some instances when a customer sells short in 100-share lots, he is allowed a special rate of interest. This is determined at the end of the month and would be a separate entry having nothing to do with the other interest items in the account.

Dr. Louis Singer — In Account with Wall & Co., Brokers — Cr.

Date		Amount	Days	Int.	Date		Amount	Days	Int.
July 4	100 V Chrysler 92⅜	9257.50	27	41.66	July 1	Check	10000.	30	50.
8	100 Cont. Can 74⅝	7480.	23	28.68	7	400 Melville Shoe 67 s/s..	26714.		
31	Int. 6% + 3% Carrying Chg..	16.44			25	100 V Chrysler 94	9376.	6	9.38
	400 Melville Shoe Short 65	26000.						Int. Bal.	10.96
	Balance	3336.06							
		46090.		70.34			46090.		70.34
July 31	Long 100 Cont. Can				July 31	Balance	3336.06		
						400 Melville Shoe Short, 65	26000.		

Figure No. 17

On the credit side of the previous statement it will be noted, under date of July 7th, that 400 shares of Melville Shoe were sold short at 67, the total value being $26,714. As this stock has not been covered no interest is allowed on the transaction. The other items in this statement are figured in the same manner as on the preceding statement. This statement shows a balance of interest at 6% amounting to $10.96. As the rate to be charged for the month is 9%, the amount of interest is obtained by taking ½ of $10.96 which amounts to $5.48 (3%) and then adding this amount to $10.96, giving a total of $16.44 as the interest charge at 9%. After the interest had been charged, and before balancing the statement, where a customer is still short, the amount of the short stock is brought over on to the debit side at the closing market price (at an even price). For example, on the above statement, under date of July 31st the 400 Melville Shoe item which is a short sale, is charged on the debit side at 65 with a total of $26,000. This $26,000 is included in the debits and the statement is then balanced, showing a credit balance of $3,336.06. The 400 shares of Melville Shoe at $26,000 is then credited back to offset the charge made on the debit side before the statement was balanced. The reason for this practice is that since no interest is allowed on short trades, if these open short trades are not charged back at the market price before the statement is balanced, you would show as in the above case just a credit balance of $29,336.06, long 100 Continental Can and short 400 Melville Shoe. By having the balance brought forward in one amount (which includes the short trades) without following this bookkeeping procedure, the Bookkeeper would be allowing interest the following month on the stock that was sold short and on which no interest should be allowed. The debit of $26,000 is simply an arbitrary entry made for the broker's convenience so that he may know just what amount to charge or credit interest on during the following month: These entries do not affect the actual money balance of the account, but simply show the balance in two amounts instead of one amount.

Covered Short Sales

The following example illustrates the entries on a transaction showing where Mr. Singer covers his short stock. In Figure 19 is presented a statement showing practically every type of transaction which occurs in the handling of an account.

Dr. Louis Singer — In Account With Wall & Co., Brokers — Cr.

Date		Amount	Days	Int.	Date		Amount	Days	Int.
July 31	Long 100 Cont. Can				July 31	Balance	3336.06	31	17.24
Aug. 7	400 V Melville Shoe 68	27270.	24	109.08		400 V Melville Shoe Short C 7	26000.	24	104.
19	100 Un. Tank Car 141.....	14125	12	28.25	Aug. 31	Balance	12077.71	Bal. Int.	16.09
31	Int. 6% + 1% Carrying Chgs.	18.77							
		41413.77		137.33			41413.77		137.33
Aug. 31	Balance	12077.71							
	100 Cont. Can Long								
	100 Un. Tank Car								

On the credit side of the foregoing statement it will be noted that there is an entry, 400 Melville Shoe Short C 7. This means that the stock was covered on August 7th. Interest is allowed on the $26,000 from the covering date August 7th to the end of the month, which is 24 days, and which amounts to $104.00. The account now shows as of August 31st, a balance of $12,077.71, and that customer is long 100 Continental Can, and 100 Union Tank Car.

Figure No. 18

A Practical Working Statement

Dr. John Smith — In Account with Wall & Co., Brokers — Cr.

Date	Description	Amount	Days	Int.
Sept. 1	100 Congoleum, 26...	2615.	29	50.44
	100 Elec. Pow.&Lt., 78	7820.	29	
2	100 √ Corn Products, 114¼	11450.	28	53.43
3	100 √ Cont. Insurance 96	9620.	27	43.29
6	100 √ Lehn & Fink, Rec. Check	4381.		
10	100 √ Sears Roeb., Rec. Check	15671.		
11	100 √ Sears Roeb., Rec.			
14	Check	15000.	16	40.00
15	100 √ Cont. Baking "A", 72	7217.50	15	18.04
16	50 Elec. Pow. & Lt. Rec. Stock Div. 50%			
	Div. 100 Cont. Baking A ..... a/c Short	150.	14	.35
18	100 √ Congoleum Rights Rec.			
27	25 Congoleum a/c Subs. Rec.	250.	3	.13
30	Interest 5%	17.20		
	100 Kress Co. Short.	9800.		
		83991.70		205.68
Sept. 30	Balance	4001.70		
	75 Congoleum Long			
	150 Elec. Pow. Lt.			

Date	Description	Amount	Days	Int.
Sept. 1	Deposit Check.....	5000.	29	24.16
2	100 √ Corn Products, 116¼	11596.	28	54.12
2	100 √ Cont. Baking, A, s/s/9/15, 74..	7378.50	15	18.45
6	100 Kress Co., s/s/9/5	9476.		
6	100 √ Lehn & Fink, 44	4381.		
7	100 √ Sears Roeb., 157, s/s-c9/10 ..	15671.		
8	100 √ Sears Roeb., 156, s/s-c9/11 ..	15571.	19	49.30
	100 √ Cont. Insurance, 94	9376.	22	34.37
10	Dividend 100 Cont. Ins.	50.	20	.17
12	50 Congoleum, 30...	1490.50	18	4.47
27	100 √ Cong. Rights Del.			
	Balance	4001.70	Bal. Int.	20.64
		83991.70		205.68
Sept. 30	100 Kress, short....	9800.		

Figure No. 19

On the debit side of the statement shown in Figure 19, under date of September 6th, appears the entry, 100 Lehn & Fink received, no money; and on the same day, debit side, check $4,381. These entries interpreted, mean that Mr. Smith delivered to the broker or (had his bank or another house deliver to the broker for his account) 100 shares of Lehn & Fink stock and received a check for $4,381. The stock was received on the 6th and as Mr. Smith or his bank receive the check for $4,381, this amount is charged to his account.

On the credit side under date of September 6th, we have the entry 100 Lehn & Fink sold at 44, $4,381. This is a cash transaction and there is no interest figured on the debit and credit amounts of $4,381, as they are both on the same day. However, where a customer has a margin account and also makes outright purchases or cash trades, the interest is usually figured on all items, which, however, does not affect the net results, provided the money is paid on the same day the stock is purchased.

Under date of September 10th we have the entry, 100 Sears-Roebuck received, no money, and the next item is a check for $15,671. On the credit side under September 7th, we have 100 Sears-Roebuck sold short at 157, amount $15,671. The receipt of the stock on the 10th covers the short sale and there is no interest debited or credited on these items, as no interest is allowed on short transactions, and the stock being covered on the 10th, and the check paid out on the same day, it is not necessary to figure interest on these items.

Next, on the debit side we have on September 11th, 100 Sears-Roebuck received, no money, and on the 14th, a debit entry for a check for $15,000. On the credit side under date of September 8th 100 shares of Sears-Roebuck were sold short at 156, amount $15,571. As the stock was received on September 11th this covers the short trade of the 8th, and 19 days interest is allowed on $15,571 amounting to $49.30. On the debit side under date of September 14th, we have a check for $15,000, on which interest for 16 days is charged amounting to $40. This is an example showing where Mr. Smith sells short on the 8th and delivers the stock on the 11th to cover the short trade. On September 14th he withdraws $15,000.

Next, on September 16th on the debit side we have an entry, 50 Electric Power & Light received account of Stock dividend of 50%. This entry means that the customer previously being

long 100 Electric Power & Light when the Corporation declared a stock dividend of 50%, is credited (made long) with the 50 shares of stock to which he is entitled as his share of the 50% stock dividend.

On September 16th on the debit side is a charge of $150, account of dividend on 100 Continental Baking A which Mr. Smith sold short on September 2nd. This entry means that while Mr. Smith was short the stock sold ex-dividend, and therefore he is charged with the dividend.

In the next transaction, on the debit side under date of September 18th we show an entry of 100 Congoleum Rights. This entry means that while Mr. Smith was long 100 Congoleum on September 1st the stock sold ex-rights, which entitles him to the rights, and his account accordingly is credited (made long) under date of September 18th with 100 Rights.

Mr. Smith desires to subscribe to the 25 shares of Congoleum stock, which his rights entitled him to. These rights are therefore delivered out of his account under date of September 27th on the credit side, and on the debit side under date of September 27th we show 25 shares received on account of the subscription at $250. The $250 is the cost of the 25 shares at the subscription price.

On the credit side under date of September 10th we have the entry, dividend on 100 Continental Insurance, $50. Mr. Smith bought 100 Continental Insurance on September 3rd, and the stock having sold ex-dividend between the 3rd and the 8th, his acocunt is credited with the dividend under date of September 10th.

The statement shows the balance brought forward September 30th onto the debit side as $4,001.70 and with the account long, 75 Congoleum, 150 Electric Power & Light, and short 100 Kress, $9,800. In taking off a trial balance as of September 30th, the balance on this account would be a credit of $5,798.30, which is the difference between the debit of $4,001.70 and the credit of $9,800.

Daily Balance Method

The following statement illustrates the transactions made in connection with the account previously explained, with the entries made showing the form used in the daily balance type of statement.

John Smith — In Account with Wall & Co., Broker

Date	Bgt.	Sold		Price	Dr.	Cr.	Balance Dr.	Balance Cr.	Days	Dr.	Cr.	Short	
Sept.													
1			Check			5000.							
	100		Congoleum	26	2615.								
	100		Elec. Pow. & Lt.	78	7820.		5435.		1	.91			
2	100		Corn Prod.	114¼	11450.								
		100	" "	116¼		11596.							
		100	Cont. Baking A.	74s/sc14		7378.50		2089.50	1		.35	7378.50	4-.92
3	100		Cont. Insurance.	96	9620.		7530.50		3	3.77			
6	100		Lehn & Fink ...	Reed.									
			Check		4381.								
		100	Kress Co.	95 s/s		9476.						16854.50	1-2.81
		100	Lehn & Fink...	44		4381.		1945.50	1		.29		
7		100	Sears Roe.	157s/sc10		15671.		17616.50	1		2.93	32525.50	1-5.42
8		100	" "	156s/sc11		15571.							
		100	Cont. Insurance.	94		9376.		42563.50	2		14.19	48096.50	2-16.03
10	100		Sears Roebuck..	Reed.									
			Check		15671.								
			Dividend 100										
			Cont. Ins.....			50.		26942.50	2		8.98	32425.50	1-5.40
11	100		Sears Roe.	Reed.								16854.50	3-8.43
12		50	Congoleum	28		1490.50		28433.	2		9.48		
14			Check		15000.								
	100		Cont. Baking A.	72	7217.50			6215.50	2		2.07	9476.	16-25.26
16	50		Elec. Pow. & Lt.	Rec.									
			Div. 100 Cont. Bak. A.		150.			6065.50	11		11.12		
18	100		Congolcum Rigts.	Rec.									
27	25		Cong. a/c Sub..	Reed.	250.			5815.50	3		2.90		
		100	Cong. Rights...	Delvd.									
										4.68	52.31		68.27
30			Int. 5%		17.20				shorts	68.27			
	100		Kress Co. Short.	98	9800.					72.95			
			Balance			4001.70			credits	52.31			
					83991.70	83991.70				20.64—6%			
										3.44—1%			
30			Balance		4001.70					17.20—5%			
	75		Congoleum	Long									
	150		Elec. Pow. & Lt.	"									
		100	Kress Co.	Short		9800.							

Figure 20

In this type of statement it will be noted that there are columns for the date, bought, sold, name of stock, price, debit, and credit, balance debit and credit, and four columns for the figuring of interest; the first column for the number of days, the next two for debit interest items, and credit interest items, and one for the interest items on short sales.

In some offices the columns for the figuring of interest are not provided as a part of the statement or ledger sheets. In these offices the bookkeepers keep the slips and figure the interest separately, and at the end of the month the net amount to be charged or credited to the customer is entered on the statement. In the preceding statement it will be noted that on the 1st of September there are two debit items totaling $10,435 and a credit item of $5,000, which would make a debit balance on the 1st of $5435. This amount is entered in the debit column under the heading of Balance.

On the 2nd there is a debit of $11,450 and a total credit of $18,974.50. The difference between these two amounts gives a net credit of $7,524.50. The debit balance on the first is $5,435, and the net credit for the second amounts to $7,524.50, so the difference between these two items would be the new balance, or a credit of $2,089.50, which is shown in the balance column on the credit side. In other words, the difference between the debits and credits up-to-date shows a net credit of $2,089.50.

The entry on the 3rd shows a debit of $9,620, and as the previous balance on the 2nd was a credit of $2,089.50, the difference between these two amounts would be $7,530.50, which is the debit balance on the 3rd.

The 6th shows a debit of $4,381,and a total credit of $13,857. The difference between these two amounts is a net credit for that day of $9,476. To obtain the balance for this day we deduct the previous debit balance of $7,530.50 from this amount of $9,476 and the account then shows a credit balance on the 6th of $1,945.50.

On the 7th there is a credit item of $15,671. This amount is added to the previous credit balance of $1,945.50, giving a credit balance on the 7th of $17,616.50. To obtain the balance on the remaining transactions the same principle of balancing the daily transactions is applied throughout until the last

transaction on the 27th is reached, which shows a final credit balance entry of $5,815.50.

To prove this balance, total the debit and credit money columns. The total of the debit money column is $74,174.50 and the total of the credit money column is $79,990. The difference between these two is the last balance of $5,815.50 as shown on the statement.

The bookkeeper totals his money columns after each day's posting, and inserts the balance for the day in the balance column.

Figuring Interest Daily Balance Method

In the daily balance type of statement the interest is figured on the amount of the debit or credit balance for the number of days which elapse from one balance to the next. The method of figuring these interest items is illustrated in the following examples:

The transactions for September 1st give a debit balance of $5,435. The next change in the balance is on the following day and is a credit of $2,089.50. To obtain the interest, charge one day at 6% on the debit of $5,435 and enter in the debit interest column 91 cents, which is the interest at 6% for one day on $5,435.

The balance on the 2nd changes to a new balance on the 3rd, so that there is one day's interest credited on the balance of $2,089.50, which amounts to 35 cents. This amount is entered in the credit interest column. After the 3rd the next change is on the 6th, making three days' interest to be charged on the debit balance of $7,530.50 on the 3rd, which amounts to $3.77.

In handling the interest calculations it is important to watch carefully the number of days figured on each balance and the changes from debit to credit or vice versa. For instance, the debit balance of $7,530.50 on September 3rd does not change until September 6th, on which date the balance changes from a debit to a credit balance amounting to $1,945.50. In this case the three days interest is charged on the balance of the 3rd, $7,530.50, and not on the balance of the 6th, as $7,530.50 is the balance that runs from the 3rd until the 6th. As the bookkeeper in a brokerage house figures the interest on his balances, he also makes a record each day of his short trades

and the covering dates. As shown on the foregoing statement, these short trades have been included in the daily balances and interest has been allowed on them, so, in order to offset this, the column marked "Short" is provided in order that a memorandum can be made of the short trades.

Handling Short Trades: It will be noted that on September 2nd 100 Continental Baking A was sold. This is a short trade which was covered on September 14th, therefore, in the short column under date of the 2nd the sale price of the stock, amounting to $7,378.50, is entered. The next short trade made by the customer was on September 6th when 100 shares of Kress was sold at 95, for $9,476. Under date of the 6th, in the short column the amount $16,854.50 is entered which is a total of the short sale on the 2nd of $7,378.50, and the one on the 6th of $9,476. On the 7th, 100 shares of Sears-Roebuck was sold short for $15,671, and this sale was covered on the 10th. This amount of $15,671 is added to the short balance on the 6th, of $16,854.50, making a total in the short column of $32,525.50 on the 7th.

On the 8th the statement shows 100 Sears-Roebuck sold short for $15,571, and covered on the 11th. The amount of this short sale, $15,571, is added to the previous short balance of $32,-525.50, making a total to be carried to the short column of $48,096.50. When a short stock is covered, under the date of the covering transaction, the amount of the original short sale is deducted from the previous balance in the short column. On the 10th 100 shares of Sears-Roebuck were received. This transaction covers short sale made on the 7th of $15,671, and this amount is accordingly deducted from the balance on the 8th of $48,096.50, giving a balance on the 10th of $32,425.50.

On the 11th, another 100 shares of Sears-Roebuck was received covering a short trade made on the 8th of $15,571. This amount is deducted from the balance of the 10th in the short column of $32,425.50, making the balance for the 11th in the short column now $16,854.50.

On the 14th, we have an entry covering 100 Continental Baking A, bought for $7,217.50. This purchase covers the short trade made on September 2nd for $7378.50. To obtain the balance after this transaction the amount $7,378.50 is deducted from the last short balance of $16,854.50, which leaves a balance on the 14th in the short column of $9,476.

It will be noted that although the Continental Baking A was bought for $7,217.50, the deduction in the short column is for the amount of the sale, $7,378.50, and not the amount of the purchase, $7,217.50. The difference between these two amounts has already been taken care of in the daily balance column. The last entry in the short column, amounting to $9,476, represents the amount of the short sale made on September 6th of 100 shares of Kress, which has not been covered.

The method of figuring interest on the short balances is the same as that used in the daily balance.

On September 2nd the short balance of $7,378.50 does not change until the 6th. Accordingly the interest is to be obtained for 4 days on this amount at 6%, which is $4.92. The balance on the 6th of $16,854.50 changes on the 7th, therefore interest for one day is to be figured on that balance, which amounts to $2.81.

The balance for the 7th changes on the 8th, and as only one day has elapsed the interest to be figured on that balance is for one day and amounts to $5.42. This method is followed with the remaining transactions down to the last balance on the 14th of $9,476, on which balance 16 days interest is figured, that is, the interest from the 14th to the 30th, which amounts to $25.26.

To arrive at the balance of interest at 6% for the month, add the total interest of the shorts, amounting to $68.27, to the total debit interest of $4.68 and subtract the total of the credit interest of $52.31, which gives $20.64 @ 6%. The interest on this amount of $20.64 is next obtained at 5%, amounting to $17.20, which amount is entered and charged under date of September 30th in the debit money column. As in the other form of statement the open short sale of 100 Kress at 98, amounting to $9,800 is next entered as a debit item and the account is then balanced. The balance under date of September 30th is a debit of $4,001.70 with the account long, 75 Congoleum, 150 Electric Power & Light and short, 100 Kress at $9,800.

In some offices where the daily balance system is used, instead of figuring the interest at 6% and putting the amount on the statement as shown above, the amount of the balance is extended in the debit or credit columns according to the

number of days to be figured, and at the end of the month after making a net total of these balances, the interest is figured by pointing off 3 places on the net total amount. By dividing this result by 6, we obtain the interest for the entire month. In other words, on the above statement the first balance of $5,435 for one day would be $5,435, which is entered in the interest column. On the 2nd the credit of $2,089.50 for one day would be shown in the credit interest column, $2,089.50, and on the 3rd, the debit item of $7,530.50 for three days would be shown in the debit interest column at $22,591.50, which is three times the balance of $7,530.50.

There is another way of treating shorts in using the daily balance system. To illustrate this we will again take the account of Mr. Smith with the transactions, as shown on the next page.

JOHN SMITH IN ACCOUNT WITH WALL & CO., BROKERS.

Date	Bt.	Sold		Price		Dr.	Cr.	Balance Dr.	Balance Cr.	Days	Debit	Credit	Short
Sept. 1			Check				5000.						
	100		Congoleum	26		2615.							
	100		Elec. Pow. & Lt...	78		7820.		5435.		1	.91		
2	100		Corn Prod.	114¼		11450.							
		100	" "	116¼			11596.						
		100	Cont. Bak. A.....	74	s/s c-14		7378.50	5289.		1	.88		7378.50
3	100		Cont. Ins.	96		9620.		14909.		5	12.43		
6	100		Lehn & Fink.....	Recd.									
			Check			4381.							
		100	Kress Co.	95	s/s		9476.						
		100	Lehn & Fink.....	44			4381.						16854.50
7		100	Sears Roebuck ...	157	s/s c-10		15671.						32525.50
8		100	" " ...	156	s/s c-11		15571.						
		100	Cont. Insur.	94			9376.	5533.		2	1.84		48096.50
10	100		Sears Roebuck ...	Recd.									
			Check			15671.							
			Div. 100 Con. Ins..				50.	5483.		1	.91		32425.50
11	100		Sears Roebuck ...	Recd.					10088.	1		1.68	16854.50
12		50	Congoleum	30			1490.50		11578.50	2		3.85	
14			Check			15000.							
	100		Cont. Baking A...	72		7217.50		3260.50		2	1.09		9476.
16	50		Elec. Pow. & Lt...	Recd.									
			Div. 100 Cont. Bak. A			150.		3410.50		11	6.25		
18	100		Congoleum Rts....	Recd.									
27	25		" a/c Sub.	Recd.		250.		3660.50		3	1.83		
		100	Congoleum Rts. ...	Delv.							26.14	5.53	
30			Int. 5%			17.18					5.53		
	100		Kress Co. Short...	98		9800.					20.61-6%		
			Balance				4001.68				3.43-1%		
						83991.68	83991.68				17.18-5%		
Sept. 30			Balance			4001.68							
	75		Congoleum Long..										
	150		Elec. P. & Lt. Long										
		100	Kress Co. Short...				9800.						

Figure 21

In this type of statement when a short trade is made the amount of the short trade is not included in the debit or credit balance but in order to note the short sale a memorandum of the amount is made in the short interest column. When a short trade is covered, however, the profit or loss is then included in the balance column. In other words, the shorts are entered in the short column the same as in the other type of statement, but no interest is figured on these amounts as they have not been included in the daily balances.

Typical Cash Transaction

On cash accounts no interest is figured provided full payment for the stock is made within the course of 3 to 4 days.

The following is an example of a cash account:

Dr. Chas. Peterson (Cash A/C) Cr.
In Account with Wall & Co., Brokers

Date	Amount	Days	Int.	Date	Amount	Days	Int.
July				July			
1 100 Union Tank Car 141	14125			1 Check	3000		
				3 Check	11125		
				100 Union Tank Car Delv.	.....		
	14125				14125		

Figure 22

Division of Accounts

In the Bookkeeping Department of a brokerage office there are customers' ledgers and a general ledger; the general ledger contains dividend account, rights account, fail to receive, fail to deliver, stocks borrowed, stocks loaned, and numerous other house accounts. In most offices there is also a private ledger handled by the Head-Bookkeeper, which contains the firm's capital accounts, profit and loss, etc.

Posting

The customers' ledger bookkeeper posts each day, from the purchase and sale slips, cash sheets, ex-blotters, dividend sheets and journal. The purchase slip shows the number of shares bought, the name of the security, price, extension, commission, total amount, and the customer's name. The sale slip shows the number of shares sold, the security, price, extension, commission, Federal and State Tax, net amount, and the name of customer. Commission, tax and extensions are all figured by another department, so that the bookkeeper has no figuring to do on these items. After making an entry in an account, the bookkeeper places a little slip extending over the top of the sheet which enables him to know at the end of the day just what accounts he has made entries in during the day. After posting the purchases and sales the bookkeeper posts the debit and credit cash sheets. These sheets show money withdrawn and money deposited by the customers. He then posts from the receive and deliver blotters. The receive blotters are the debits, and the deliver blotter the credits. All stocks received from and delivered to a customer for no money and for money are shown on the blotters. Examples of such entries might be, 100 Erie received for no money for John Smith's account, or 100 Erie received for $5,000 for the account of John Smith. When a customer delivers stock to a broker and withdraws money for the stock he is delivering, the blotter will show the receipt of the stock for the customer's account, and the cash sheet will show on the debit side the withdrawal of the money. If, however, a customer sends stock to a broker with draft attached, the receive blotter will show the stock received, and the amount of money paid out on the transaction is charged to the customer on the blotter, and not on the cash sheet.

The receive and deliver blotters show transfer of customers' accounts to or from another source, fail to receive, and fail to deliver item, etc. The bookkeeper also posts from the dividend blotters or sheets which show the dividends that are credited and charged to the customers' accounts. These blotters or sheets are made up by the Dividend Clerk. In the smaller offices the cash and dividend transactions are all shown on the receive and deliver blotters instead of on separate sheets. Another book used in the brokerage office for recording transactions is the journal which is used chiefly to show interest charges, the correction of errors, the transfer of money from one account to another, et cetera.

Daily Control

After posting these items the bookkeeper takes off what is termed a "Daily Balance". In the preparation of the daily balance much time can be saved by reason of the fact that the bookkeeper is able to quickly turn to the sheets in his book having the slips marking the accounts to which postings have been made during the day. The daily balance is taken off on a sheet which shows the customer's name and the total debit and credit items posted in the account for the day. This daily balance sheet is then given to another clerk in the office, whose duty it is to see that every ledger is in balance. If the bookkeeper has made any errors in posting or has missed any items which should have been posted, he is notified by the balance clerk, whereupon, he makes the necessary changes or corrections.

Preparation of Statements

Where bookkeeping machines are used, no monthly statements are made up by hand, but in houses where they do not use machines it is necessary for the bookkeeper to write up his own statements, which he starts doing a few days after he has sent out his previous month's statements. During the month he must keep his statement written up-to-date, and footed, and the interest figured and footed. In addition he must keep the ledger footed, comparing the footings with his statements, both as to money and interest, so that at the end of the month there will be no corrections necessary. At the end of the month the bookkeeper should be prepared, as soon

as he gets his interest rates, to adjust his balance of interest at 6% to the rate specified, and debit the customers on their statements. After the interest has been debited or credited for the month on the statements, the bookkeeper then journalizes the interest on sheets or in a book, by entering the name of a customer, the rate of interest, and the amount charged or credited to the account. From these interest sheets he posts the items in his ledger and the interest journal is then given to the balance clerk. The bookkeeper next balances his statements, bringing forward the new balance as of the end of the month and also the position. After this has been done he balances the accounts in the ledger, checking the balance and the position as shown in the ledger with the statements. The statements are then given to the Margin Department to be checked as to position and money balance before being mailed to the customers.

Monthly Trial Balance

A monthly trial balance is next taken which shows the name of the customer and the debit or credit balance, as brought forward in the ledger at the end of the month. This trial balance sheet is footed and the difference between the debit and credit balances should be the same as that which the balance control clerk shows in his records. In brokerage offices the ledgers are balanced individually, and the accuracy of the accounts is maintained by means of a control system which has been developed to check and control the different books used in the bookkeeping work of the firm.

General Instructions

The bookkeeper should not open a new account unless he knows it is a new account, as sometimes through an error in some department, a wrong name or initial is used, and by checking back before any new account is opened any error of this kind will be discovered.

Positions must be checked out at all times, so that in case anyone connected with the brokerage house inquires as to what stocks a customer is long or short, the bookkeeper can give the information immediately.

The bookkeeper may save considerable time at the end of

the month by closing or balancing his inactive accounts a day or so in advance.

In opening a new account the bookkeeper should watch to see that the margin or collateral required is deposited within the course of a few days, and if this is not done within this time, he should notify the margin clerk. He should also watch carefully, in crediting dividends or coupons to an account, to see if the customer was previously long of the securities, as sometimes the dividend clerk, through an error, will credit the wrong customer. The same applies to a debit dividend where a customer is short or was short.

Clearance Dates

In Wall Street all purchase and sales made on any day, clear the next full business day, therefore, a customer buying or selling stock on a particular day is not charged or credited with the purehase or sale until the following full business day.

General Ledger

The dividend, stock borrowed, stock loaned, fail to receive, and fail to deliver accounts are all handled in practically the same manner, that is, the number of shares and the money are checked when the transaction is closed. To illustrate the manner in which this is done the following statement is presented:

Dividend Account

Dr.				Cr.			
Sept.	1	500 B. M. T. (Corp.)	500	Sept.	5	600 B. M. T. (Corp.)	600
	4	200 Cal. Pack. (St. Ld.)	200		6	200 Cal. Pack (J. Muir Co.)	200
		100 Chi. Nor. West. (Claims)	100		7	200 Chrysler (Halle & S)	150
	5	400 Chrysler (F. Rec.)	300		10	100 Chi. N. W. (H. Jones)	100
					30	Balance	50
			1100				1100
Sept.	30	200 Chrysler	150	Sept.	30	100 B. M. T.	100

Figure 23

Dividend Account

The debit side of the dividend account shows the open items which are charged to the dividend account until they are collected from the various sources from which they are due. On the debit side of the preceding statement we have an entry as of September 4th covering 200 Cal. Packing, (stock loaned) $200. This item is closed out on the credit side on September 6th by being checked off as to the number of shares, and the money. The balance of the accounts, such as fail to receive and fail to deliver are handled on the same principles, except that in some houses the ledger clerk posts the total amount of the fail items each day, and the blotter clerk keeps a memorandum of the open transactions, checking out at intervals with the money balance as shown in the ledger.

Wire Accounts

In the brokerage houses which have wire accounts, certain bookkeepers are assigned to handle these particular accounts. A wire account is posted, in the same manner as the other accounts. Each day a transcript is made up of all debit and credit items for the day and this is mailed to the wire house. At the end of the month the bookkeeper will then wire the interest charges for the month, and send a statement showing the balance brought down as of the end of the month, together with the position of the account. As the wire house has already received from day to day a record of the daily transactions in the account it is not necessary to send these at the end of the month.

On wire accounts, the position is not checked in the ledger, as the great number of entries made each day in such accounts makes this impracticable ordinarily. A position sheet, however, is kept for each wire account, showing each security and the changes from day to day.

CHAPTER VI

Stock and Bond Record Department

STOCK AND BOND RECORD DEPARTMENT

This department maintains a record, which is balanced daily, of all securities bought and sold, received and delivered for its clients, and shows where the securities are located. The work is handled by Take-off clerks, who make up sheets known as Take-off sheets, and by stock record clerks who post in the stock record books.

The bond and stock records are kept in the same general manner but in separate books or on sets of cards. In the bond record books on the top of the sheet or card, as the case may be, is kept a record of the interest dates, such as January and July 1, February and August 1st, March and September 1, March and September 15, showing when coupons on bonds are payable.

Importance of Record

The stock record department is one of the most essential in the brokerage organization. This department keeps a record showing the balance on each security each day. If any securities are lost or stolen they are aware of the fact that same day. Should the records of the Bookkeeping and Margin Departments disagree as to the position of any account they can always check back with the stock record department. If the market should have a sudden rise or sudden drop in any one or two securities, the margin clerk, instead of going through all of his accounts to find out who is long or short of these particular stocks, can save much time by referring to the stock record book, to see what customers are carrying the securities in question and he can then turn to those accounts in his margin book. The cashier's department has certain securities to deliver each day and they refer to the stock record book to find out where these securities are located. The stock record will show, for instance, that certain certificates are in the box, others in transfer, and some in Bank Loans, etc. A large brokerage house may have as many as a hundred or more bank loans with fifteen to twenty-five different stocks in each loan, and the cashier's department therefore can save considerable time by referring to the stock record book. The Dividend Clerk gets all his positions from the Stock Record Department. All

departments are continually referring to the books in the stock record department.

In many houses the securities in loans are not itemized individually, such as "Guaranty Trust Co., Nov. 1st," but are placed in one account called "Hypo" (Hypothecated). In such cases the loan clerk maintains a separate record indicating the exact location of securities in loans.

Dividend Information

In some houses the Stock Record Department makes up sheets each day showing the stocks that are selling ex-dividend (cash or stock) and ex-rights and also furnishes a list from the bond book showing when coupons are due. These different sheets are handled as follows: In the morning the Stock Record Department receives a report of all stocks selling ex-dividends or ex-rights that day. A record is given to the Dividend Clerk on these stocks and on the number of shares in the box and in the loans on the previous day. Later during the day the Dividend Clerk will pass these sheets back to the stock record man, who after posting all the items for the day in his stock record books, will make a copy on the dividend sheets of all the longs and shorts. After doing this he then returns the sheets to the Dividend Clerk. He then stamps "ex-dividend date" in his book in the column of the day on which the stock sells ex-dividend.

Method of Take-off

In preparing the Take-off record the clerk will:

1. Enter on cards or sheets the securities bought and sold for customers for the day.

2. Take a record of all the securities in bank loans that are paid off for the day.

3. List all the securities that are put in new loans made for the day.

4. Enter all securities that are taken out of and put in loans on account of substitutions.

5. Take a record of all securities received back from transfer and securities put in transfer for the day, or, in other words, securities in transfer (sent to the Transfer Agent) and

securities out of transfer (received back from the Transfer Agent) for the day.

6. Next take a record from the ex-blotters of all securities received from and delivered to clients, accounts transferred from one house to another, stocks borrowed and stocks loaned, and all Fail to Receive and Fail to Deliver items for the day.

7. Take a record each day of all securities that are taken out of the box in the morning and all securities put in the box at night. In some houses they do not list the securities taken out of or put in the box each day, in which case the Take-off man will have to consider the shares in the box the previous day as coming out, and the shares in the box on the current day as going in.

8. Lastly, enter all securities taken out of, and all securities put in Safekeeping, (Private Envelope.) These entries are taken from the No-Money Blotters, which are the records where all the stocks received or delivered without money being paid or received for them, are entered.

Locating Errors

The Take-off sheet or cards should now show all the changes or movements in the securities for the day. Each security should balance. If there are any differences, the Take-off man must check each item carefully. If after checking there are still discrepancies, a list is made of the securities having errors. The first thing in the morning a recount is made of the certificates in the box, of those securities in which there is an error, as oftentimes mistakes are made in counting the box at night. Should there still be differences after a recount of the box, it is necessary for the Take-off man to find out what errors have been made, which may be in stock received or delivered with no entry made, or stock taken out of, or put in transfer without an entry, etc.

In other words, he must balance each security each day. Unless he balances there is no way to tell whether a security has been lost or stolen or whether the mistake resulted because of a failure to make proper entry.

If after checking it is found that some of the securities are still out of balance, the head stock record clerk must check

all the numbers of the certificates received and delivered for the day, and in that way arrive at the numbers of the securities in the box the day previous. If, however, he cannot get all the numbers of the certificates that were in the box the day previous, he must go back another day, until, finally by checking what was in the box plus the securities received, against the securities delivered, the numbers of the missing certificates are discovered. Then the lost certificates must immediately be reported.

On a Take-off sheet all securities bought, or received in the office for customer's accounts are entered on the left hand side, and all securities sold or delivered to customers are entered on the right side.

The left hand or long side shows how many shares are to be accounted for. The right hand or short side shows where these securities have gone. If both sides balance, then all shares have been accounted for, and their location shown.

Example of a Take-off Sheet

Atchison, Topeka and Santa Fe R. R. Co.

Transactions for:	November 1st		
11/1	150	J. Jones	
		Box	100
		Transfer	50
	150		150
	November 2nd		
11/2	500	F. Jorgensen	
	150	J. Schmidt	
		H. Adams	100
		Chat. & Phoe.	200
		Chase	100
		Box	150
		F. Rec.	100
	650		650

November 3rd

11/3		F. White	200
		H. Adams	150
	25	Transfer	50
	125	F. Deliver	
	250	Box	
	400		400

November 5th

11/5	100	Stock Borrowed	
		Fail to Del.	100
	25	H. Peatey	
	50	Fail to Rec.	
		Hanover	25
	25	Tfr.	50
		Box	25
	200		200

Posting of Take-Off

The Stock Record Clerk posts each day from the Take-off sheet. As the posting of the individual items are made, they must be checked thus (✓). After all items are posted and the securities are properly balanced, the clerk makes a large cross (X) through the Take-off sheet or the card records of these transactions, denoting that the posting of these items is completed. After posting the above items for November 1st, 2nd, 3rd, and 5th, the stock record account will show the following position of the firm with respect to the Atchinson, Topeka & Santa Fe stock:

Long Atchison, Topeka and Santa Fe R. R. Co. Short

	11/1	11/2	11/3	11/5
J. Jones	150	150	150	150
F. Jorgensen		500	500	500
J. Schmidt		150	150	150
H. Adams	(Red)	100	250	250
F. White	(Red)		200	200
Fail Deliver			125	25
H. Peatey				25
Stock Borrowed				100
	150	700	475	500

	11/1	11/2	11/3	11/5
Box	100	250	...	25
Transfer	50	50	75	100
F. Receive		100	100	50
Chat. & Phoe.		200	200	200
Chase Nat'l		100	100	100
Hanover				25
	150	700	475	500

On the Take-off sheet if the figure is on the left side of the account, the account is long that much, if the figure is on the right hand side the account is short that much. Short means that that is where the securities are located.

On the Take-off sheet for November 1st J. Jones is shown as long 150. This indicates that J. Jones bought 150 shares which must be accounted for, i. e., have their location shown on the stock record. In showing where these shares are located we show the "Box" (on the right side) as containing 100 shares, and show the remaining 50 shares as being in transfer. The 50 shares in transfer means that those 50 shares have been sent to the transfer agent of the Atchison R. R. to be transferred to another name. The 150 shares bought for J. Jones have now been accounted for and their location has been indicated. Note: The box is a metal receptacle in which the certificates are put each night and then sent to the vault until the following morning.

On the stock record sheet accounts that are long go on the left side of the sheet, and accounts that are short go on the right hand side.

The following tabular statement shows these accounts in the positions mentioned:

On the left side (Long)	**On the right side** (Short)
Customers Long	Box
Customers Short (in red)	Safekeeping (Private Envelope)
Fail to Deliver	Transfer
Stocks Borrowed	Fail to Receive
	Stocks Loaned
	Bank Loans

The customers' transactions and the bank loans are kept under the name of the individual account, that is, under the customer's name or the name of the bank, but the transactions involving the accounts Fail to Deliver, Stocks Borrowed, Fail to Receive and Stocks Loaned accounts are kept under one account, the individual names of the brokers borrowing the stock, etc. not being shown on the Stock Record Sheet.

Keeping in mind the principle stated above, that the long side shows what securities are to be accounted for and the short side shows their location, it is easy to understand why the above items are on their respective sides. If stock is bought for customers it is a long and must be accounted for. If stock is borrowed or not delivered when sold, those shares must be located. On the other hand, if the stock is shown as being in the box, or out being transferred, or lent to another broker, or put in a bank as collateral, or not received from a broker who should have sent the stock, then the location of the shares is known. Customers short transactions are really a short item and in many houses are put on the short side. However, in most of the houses they are put on the long side in red for convenience in keeping all the customers' accounts together.

The wide columns of a stock record are for the names of the accounts, (customers, Banks, Fail to receive, etc.), and the narrow columns are used for the number of shares that the account is long or short on the date marked at the head of the narrow column. Each full day that the Stock Exchange does business has a separate column, and no changes are made in the column of a previous day after it is balanced, unless a clerical mistake is discovered.

The name of an account is never put on a stock record twice. There is an exception to this rule in those houses that keep the

customers short on the right hand side of the stock record sheet. In those houses if a customer previously long, goes short, or vice versa, then he is closed out on the side on which he was shown previously and he is entered on the opposite side.

Daily Changes and Proof

In the example previously cited the transactions for November 1st are posted on the stock record sheet in the column of that date, the items being: J. Jones on the left side, 150, and on the right side, Box 100, and Transfer 50. After all postings for a day are made, the columns for that date on both sides of the sheet are totaled. The totals should be the same. In this case both sides add up to 150, therefore this stock record sheet is balanced for the day.

On November 2nd the take-off sheet shows 650 shares bought or received for customers, for the account of F. Jorgensen and J. Schmidt and 100 shares sold or delivered H. Adams. This leaves a balance of 550 shares to receive. Of this 550 shares 450 were actually received and the broker from whom the firm should have received the other 100 shares failed to deliver them. The location of the 450 shares actually received is as follows: 200 were put in a loan with the Chatham and Phoenix National Bank and 100 were put in a loan with the Chase National Bank, while the remaining 150 were put in the Box.

On the stock record sheet F. Jorgensen is shown on the left side, as long 500 and J. Schmidt is shown as long 150. H. Adams is put on the long side in red denoting that he is short 100. All these figures are put in the second column under the date of 11/2. The Chatham and Phoenix Bank is entered on the right side for 200 and the Chase Bank for 100. On the stock record under 11/1 the box account showed 100 shares which meant there was 100 shares in the box. Now the take-off sheet shows another 150 going into the box. This 150 added to the previous 100 makes the box account now 250. This means that there are now 250 shares in the box. Failed to Receive is shown on the right side, as 100. All the items on the take-off sheet have now been posted on the stock record. The next thing to do is "to extend out" the open items. "The open items" are those accounts of the previous day in which no posting has been made on the current day. J. Jones still has the 100 shares he had on 11/1 and so this "open item" is simply brought forward

to the column for 11/2. In the same way, the 50 shares shown in transfer on 11/1 are still in transfer and so this 50 is brought forward into the column of 11/2. The total of the left side is now 800 for the black figures and 100 for the red figures. The red total is substracted from the black leaving a balance of 700. The right hand side makes a total of 700, so the stock record is now balanced.

On November 3rd the take-off sheet shows that 350 shares were sold for customers F. White and H. Adams. The 350 shares that the firm had to deliver on account of these sales were handled in the following manner: 250 were taken out of the box as is shown by the entry on the left hand side, 25 shares came in from Transfer, but 50 went back in transfer, Fail to Deliver is on the long or left side for 125, which means that the firm failed to deliver 125 shares of those sold.

F. White was not previously long any stock so he is short the 200 shares he sold. He is therefore entered on the left side in red with 200. H. Adams sold another 150 which makes him short 250, counting in his short of 100 on the day before. On the take-off sheet transfer is shown as having 50 go in transfer (or out to transfer) and 25 comes out of transfer (or comes back from transfer). This leaves a balance of 25 shares going in to transfer. The stock record sheet shows that there were 50 shares in transfer on 11/2, so now, with the 25 going in on 11/3 there are 75 shares in transfer on 11/3. 75 is put on the short (right) side of the stock record sheet opposite transfer in the column headed 11/3. Fail to Deliver is a new account. It is shown on the left side of the take-off sheet as long 125. It is therefore entered on the long (left) side of the stock record for 125. On the take-off sheet for the third is shown on the left side, Box 250. This means 250 shares came out of the box. The stock record shows there were 250 in the box the day before, so now, the box is even-up, i. e., there is no stock in the box. This is indicated by putting a dash in the column of the November 3rd opposite box. Now the open items are brought forward as follows: J. Jones 150, F. Jorgensen 500, and J. Schmidt 150, on the long side: with Failed to Receive. 100, Chatham and Phoenix 200, and Chase 100 on the short side. On the long side the black figures total 925, the red add up to 450, leaving a difference of 475. The short side adds up to 475, thus balancing the sheet for November 3rd.

On November 5th the take-off shows St. Bd. (Stock Bor-

rowed) 100 on the left side and Failed to Deliver 100 on the right side. Ordinarily the broker would not borrow stock, or fail to deliver stock, when there is stock in the box or in loans; but these accounts are shown in order to have an entry for every account that will appear in the stock record. H. Peatty is shown on the left side as long 25, F. Rec. (Failed to Receive) is shown 50 on the left side which means that 50 (of the 100 not received on the 2nd) have now been received. Hanover, on the right side shows 25, in other words 25 shares were put in a loan with the Hanover National Bank. Transfer shows 25 on the left side and 50 on the right side, which leaves a net difference of 25 on the right side or going in to transfer, 25 are put in the box.

This is posted in the Stock Record Book as follows: H. Peatty, a new account, is entered on the long side with 25 shares in the column headed 11/5. Likewise Stock Borrowed is entered up for 100. The take-off shows Fail to Deliver 100 shares on the right side, and since there were previously 125 to deliver, this leaves "Fail to Deliver" now 25. In the same way, the take-off shows Fail to Receive on the left side 50, and as there were 100 shares the day before in "Fail to Receive" account, there are only 50 shares to receive now. Hanover is a new account and is entered for 25 on the right side. The stock record showed 75 in transfer, and since today, the 5th, there is a net difference of 25 more going in transfer, there are now 100 shares in transfer. This 100 is entered in the column of 11/5 opposite transfer. The take-off account also shows 25 shares going into the box and since there were no shares left in the box, it now shows 25. After the open items are extended out, the left side adds up to 950 black less 450 red which leaves a balance of 500. The right side adds up to 500, thus balancing the record for the day.

Occasionally there are entries for other house accounts such as, Dividend, Trading, etc. These may be on either side of the Stock Record book.

Fixed Location of Certain Accounts

In posting in the stock record book, it must always be borne in mind that the long side shows customers long and short, Fail to Deliver, and Stock Borrowed accounts. On the short side will appear the following accounts: Box, Safe-keeping and

Private Envelopes, Fail to Receive, Bank Loans and Stock Loaned. It is very important that these accounts be kept on the side indicated. If an entry on the take-off sheet was such that it would compel you to post one of these accounts on the wrong side you would know (assuming you have posted the Stock Record correctly) that someone had made a mistake and it would be necessary to correct it before posting could be continued. For example: When a broker has certain stock to deliver and he does not deliver the stock on that day, he makes an entry on the "Receive" side (long side) of the Blotter, stating that he is "Failing to Deliver" the stock. Now as he is "failing to deliver" only 100 shares he cannot at a later date, deliver more than the 100 shares that he owes. The same applies to Stock Borrowed. He cannot return more stock than he borrowed so this account must always be on the long side of the Stock Record Book. The "short side" shows where securities are located such as: "Box," "Transfer" and "Bank Loans" and stock owed by some other broker on account of Fail to Receive or Stocks Loaned items. If there are 100 shares in the box no more than this amount can be subsequently taken out. The same applies to Transfer and Bank Loans. On Stocks Loaned there cannot be more stock returned than was originally loaned out. Another reason why it is important that these accounts must be kept on the correct side is, that while a Stock Record Clerk may balance each day he may still have posted the shares in the wrong accounts. For example, the Clerk may have put 100 shares in Transfer instead of in the Box. Suppose that on November 5th there are 100 shares in Transfer and the next day's take-off shows on the left side 150 shares coming out of Transfer. This item could not be posted correctly as it would show a Transfer of 50 on the long side. In that case it would be necessary to call the error to the attention of the Head Stock Record Clerk or Take-off man to find out where the mistake had been made.

On the Take-off Sheet the Box, Transfer, etc., will frequently have a figure on the left side and on the right side. **Do not** post such an item by first taking the difference and then adding or subtracting it, as the case may be, from the previous amount for that account. For example, the Take-off Sheet might show: "75 Box. . . 100." In posting this item do not glance at the Take-off Sheet and post 25 additional shares in the Box. The proper method is to look at the previous amount in the box, subtract

75 and then add 100. In this way it will be possible to correct any error the Take-off man may make in having more shares come out of the box than were in there. In the above example, say there were only 50 shares in the box the day previous. If the clerk first tries to subtract the 75 he would notice the error immediately, whereas if he merely added the difference 25, the mistake would probably be overlooked.

Watching Undelivered Items

The stock record clerk should notify the securities cage when he has a Fail to Deliver item open and there is stock in the box or Bank Loans, as it is unnecessary to fail on a security when it is available for delivery. The stock record clerk should in the same way notify the securities cage when he has a Stock Borrowed item open and there is stock in the box or in bank loans.

The stock record clerk should also watch carefully to see if a customer is long the common stock and short the preferred stock of the same company, or vice-versa, and if so he should check up with the margin clerk as it may be an error. A customer would rarely be long one and short the other.

Checking and Bringing Forward

In some houses the securities in the Box and in Transfer, as shown in the stock record book must be checked with the Box book and with the Transfer book, so that in case of any errors they may be easily adjusted.

On some securities where there are not many changes the stock record clerk will post the changes each day but does not total or bring forward the open items until he feels ready to balance in order to make sure he has made no error. All items, however, must be extended at the end of the month, ex-dividend date, coupon date, or when an audit is being made, and each security must be balanced.

When a stock record sheet is filled, in opening a new sheet only the open items are brought forward. In other words, accounts that have been closed out are not brought forward to the new sheet. Where a stock is very active and has a number of customers long and short of it, the names of the customers are arranged in as near alphabetical order as possible.

CHAPTER VII

Dividend and Coupon Department

DIVIDEND AND COUPON DEPARTMENT

The work of the Dividend Clerk consists of keeping a record of all stocks selling ex-dividend on both cash and stock dividend paying securities. In addition he must keep informed on, and be prepared to handle the work involved in the closing of the books for rights, the exercising of rights on the expiration date, the exchange of securities, stocks carrying due bills, issuing regular due bills, assessments on stocks, making claims for dividends, collection of claims for the firm and clients, crediting customer's accounts with cash and stock dividends when payable, crediting the customers with interest on bonds when payable, crediting the customers' accounts with rights, and supervising the transfer of securities when the books close for dividends.

Source of Dividend Information

The Dividend Clerk must keep a diary. In this book a record is kept, by date, of the Corporations closing their books for dividends (Cash and Stock) and rights. Information about the closings of the books for dividends is obtained in advance from sheets issued daily and weekly by the Standard Statistics Corporation, Poors and others. These lists show the advance dates for closings, and also a list of all the closings for that day. In addition, weekly bulletins are issued by the New York Stock and Curb Exchanges. For the Standard Oil Stocks, a well known house issues a weekly list of the future closings. Each morning, the New York Stock and Curb Exchanges print on the ticker the stocks that are selling ex-dividend that day.

Out-of-Town Transfer Agents

The Dividend Clerk keeps a record of the closing of books for dividends on all the inactive securities, when the information is not obtained from any of the above sources, and enters all this information in his diary under the date specified as the closing date. There are some cases such as those involving unlisted stocks, and stocks traded in on out of town exchanges, where it

is necessary for the Dividend Clerk to advance the date for closing of books several days. For example, if the books of a certain stock were closing for dividend in Boston, on July 10th it would be necessary for the dividend clerk to see that the stocks to be transferred were mailed out in time to be received in Boston by the 10th, which would make it necessary for the stock to leave New York on the 8th of the month.

Ex-Dividend Date—Closing of Transfer Books

In connection with the making of dividend payments a corporation will set a certain date for the closing of its books for dividend. A record is taken by the Corporation on this date of all its stockholders, and at some later date, usually two or three weeks later, checks for the dividends due are mailed to the stockholders of record on the books of the Corporation on the date the books were closed. The Exchanges rule that the stocks shall sell ex-dividend the same day that the books are closed by the Corporation.

"Ex-dividend" means that the amount of the dividend is automatically deducted from the price of the stock on the morning of the day the Corporation's books close, excepting on cash or immediate delivery transactions.

Procedure On Ex-Dividend Date

In the regular course of his work, the first thing the dividend clerk does in the morning of each day is to make up lists, in triplicate or quadruplicate from his diary (in alphabetical order) of the stocks selling ex-dividend that day. One copy is given to the Margin Department, one to the Blotter Clerks in the cage, one to the Transfer Department, and the other he retains for his own use. The copies given to the Blotter Clerk and the Transfer Clerk are retained by those departments in order that they may know, as stocks come in during the day, what securities to put in transfer so that the firm may receive the dividend. If the Blotter Clerk does not know what stocks are selling "Ex," he will put such stocks in the box instead of in transfer. Also if the Transfer Clerk does not know what stocks are selling "Ex," he may deem it advisable to hold the transfer over until the following day. On the day the books close all stocks must be in transfer by 3 o'clock in order that

the firm or individual to whom the stocks belong may receive from the Corporation, the dividends to which they are entitled.

The first thing in the morning, the Stock Record Department, from the information supplied by the published dividend lists, will make up proofs (sheets) for all stock selling "Ex" that day. These proofs are given to the Dividend Clerk, who will check them against his list, and if there are any stocks on his list for which he does not get a proof, he will request the Stock Record Department to make one up.

Now, for example, we will say that U. S. Steel is selling ex-dividend September 27th, payable October 15th at the rate of $1.75 per share. The Stock Record Clerk, on the morning of September 27th will make a proof. This proof is generally made up of two sheets attached together. On the inside sheet, the Stock Record Clerk will show the following:

U. S. STEEL CORPORATION—COMMON

Books closed		9/27	payable 10/15	Rate $1.75
Box	376			
Commerce	400			
Chase National	300			
Chemical	500			

This proof will be received by the Dividend Clerk, who will immediately go to the box and see what names the 376 shares are registered in. If not in the firm name (or in the names of the customers who are long) he takes out the certificates and gives them to the Transfer Clerk for transfer to the firm's name. He then goes to the loan book (in some houses the Loan Clerk attends to this work) and ascertains what names the 400 shares in the Commerce Bank, the 300 shares in the Chase, and the 500 shares in the Chemical Bank are registered in. If not in the firm's name or, in the name of a customer who is long, the Dividend or the Loan Clerk will make a substitution, withdrawing the securities not registered in firm's or customer's name from the loans. After the stock is taken out of the loans it is given to the Transfer Clerk to be transferred to the firm's name. The Dividend Clerk then makes a record on his proof of all the numbers of the certificates in the box and in loans. This is the manner in which all ex-dividends for the day are handled each morning.

The proof now goes back to the Stock Record Clerk, who, after posting the September 27th business will make a final proof showing all the longs and shorts. In other words, he will make an exact copy of his stock record sheet. This would be in the following form and would show the following condition:

Outside Sheet		Inside Sheet	
U. S. STEEL CORPORATION			
Books close 9/27		Payable 10/15, Rate 1.75	
13	F. Deliver	438	Box
500	J. Jordan	100	St. Loaned
150	H. Lampe	115	Tfr.
200	H. Simmons	20	Fail Receive
(10)	E. Murray	100	Commerce
		100	Chase
873		873	

The Dividend Clerk now makes extensions showing the amounts to be credited to customers, etc., and the different sources he is to collect from, as follows:

Outside Sheet

U. S. STEEL CORPORATION—COMMON

Books Close 9/27		Div. Payable 10/15, Rate $1.75
13	F. Deliver (Otis & Co.) Dividend a/c	22.75
500	J. Jordan	875.00
150	H. Lampe	262.50
200	H. Simmons	350.00
(10)	E. Murray	.....
873		1,510.25

10	—name customer (Murray)	.....
743	—firm name	1,300.25
100	—St. loaned Thomson & McKinnon, Div. a/c	175.00
20	—Fail Receive De Coppet & Doremus, Div. a/c	35.00
873		1,510.25

There are a few stocks which have coupons attached. These coupons are numbered and when the stock sells ex-dividend the number of the coupon is specified and the Dividend Clerk must cut these coupons, and send them out for collection, crediting his customers with the proceeds.

Procedure On Payable Date

The above record now shows that when the dividend is payable on October 15th, the Dividend Clerk will credit the customers with $1,487.50 and dividend account $22.75 account of fail to deliver, total $1,510.25, and he will receive from the U. S. Steel Corporation a check for $1,300.25 for stock registered in the firm's name. He will also receive $175 from Thomson & McKinnon on the account of stocks loaned, and $35 from DeCoppet & Doremus on the account, Fail to Receive. Should a customer be short when the books close he is charged with the dividend.

Items on fail to deliver and stocks borrowed are credited to dividend account and fail to receive and stock loaned are debited to dividend account.

When payment is made the money is charged or credited to the dividend account, as the case may be.

Due Bills (Cash Dividends)

When a stock sells ex-dividend and the firm was loaning stock or failing to receive stock, the dividend clerk must get a due bill from the broker to whom the stock was loaned or from whom stock is 'failed to receive.' For instance on the above mentioned transactions you would obtain a due bill from Thompson & McKinnon account of "stock loaned" and one from De Coppet & Doremus on the account of "Fail Receive." A due bill reads: "Due John Smith & Company, dividend of 1.75 a share on 100 shares of U. S. Steel books closing September 27th, payable October 15th."

"Harry Jones & Company."

When the dividend is payable on October 15th you have your firm endorse the due bills on the back, and then send them for collection to the firm that issued them.

A Dividend Clerk must issue due bills to the firms he is borrowing stock from or "Failing to Deliver" stock to.

Stock Dividends

These dividends are payable in stock instead of in cash. They are handled the same as a cash dividend except that when the stock is received from the corporation you credit the customer with stock instead of cash. The entries making the customers long of the stock (after the dividend is received) are entered on the Receive Blotter.

Stock Dividends (Carrying Due Bills)

A "Due Bill" is an instrument or paper, issued and passed between brokers, showing that there is due the holder of a "Due Bill" certain benefits such as Cash or Stock dividends, or Rights. This paper is used during the interim between the corporation record date set for the payment of dividends or rights and the date set by the Stock Exchange, as to when such dividends or rights become effective as hereinafter explained.

The necessity for these "Due Bills" may be brought out clearly by the following example: A Corporation announces that it will distribute a stock dividend of 50% to stockholders of record on July 1st, payable August 1st. The Stock Exchange may rule, for various reasons, that holders of the stock on July 15th and not July 1st are entitled to this stock dividend. According to this ruling of the Exchange, the stock will sell "ex-dividend" on July 15th. This does not affect the records of the Corporation, and the stock dividend as originally announced will be distributed to stockholders of record on the corporation's books as of July 1st.

The Dividend Clerk will take a record on July 1st, the day the books close for the corporation, just the same as though the stock was selling Ex on the Exchange on that day, and he will have all securities not in the firm's name transferred to the firm's name in order to receive the dividend from the corporation. He does not, however, credit the customers as of this date. At the close of the day on July 1st, whatever stock is in the box, and in bank loans (which should all be in the firm's name) must have due bills made out for it and these must be attached to the certificates, otherwise they will not be considered a good delivery. The due bill form is, as follows:

"FOR VALUE RECEIVED, the undersigned, holder of record at the close of business on July 1st, 1929, of (100) One Hundred shares of Common Stock of U. S. Steel Corporation, represented by certificate No. 1262762, hereby assigns, transfers, and sets over unto the 50 shares of common stock of U. S. Steel Corporation to which the undersigned is entitled as a stock dividend.

Dated: 7/2/29.
In the Presence of:

Witness: J. Jones.

Firm's Signature
Simons, Blauner & Co.,
50 Broad Street,
New York City.

The Blotter Clerk and the other clerks handling securities in the cage must be advised that the stock is carrying due bills so that they will not receive any stock in the office unless there is a due bill attached.

If the stock is received from a customer, or an out of town client without a due bill, the clerk receiving the stock must attach a memorandum to the certificate with the name of the customer (or the name of the out of town house that delivered the stock), and must then inform the Dividend Clerk, who will write the individual or firm from whom the stock was received, requesting them to forward a due bill to be attached to the stock. During the time the stock is carrying due bills all stock that is put in transfer must have the due bill detached. This due bill is then given to the Dividend Clerk. These due bills he will hold and collect on when the stock sells ex-dividend on the Exchange. When stock comes back from the transfer in the firm's or in a client's name, the Dividend Clerk must attach a bearer due bill signed by his firm. This due bill is marked "Account of stock in transfer." The Dividend Clerk must also issue a bearer due bill to the brokers who give their names for transfer. He should keep a complete list of all due bills issued in order to determine the exact amount he must pay out account of due bills when the stock sells "Ex" on the Exchange.

On the date of July 15th, the day on which the stock sells Ex on the Exchange, another record is taken in the same manner as for the regular dividend date, and the customers who are long on the Ex date receive the dividend. It is not necessary, however, to transfer any stock on this date as the corporation takes a record of stockholders as of July 1st.

The Dividend Clerk must now detach all the due bills on stock in the box and in loans, cancelling the ones issued by his own firm, and placing the others temporarily in an envelope for collection, with all the other due bills he has received. Should there, through an oversight, be any certificate in loans or in the box not in the firm's name without a due bill attached, the Dividend Clerk must locate the party or firm who delivered the certificate and get a due bill, or collect the dividends from them. In the process of balancing and crediting the customers the following steps are involved: The Dividend Clerk receives from the Corporation the stock due his firm for the account of stock registered in the firm's name on July 1st. This stock together with the stock he is to receive after collecting on all his due bills will give a total of what the Dividend Clerk will receive. He will then determine how much stock he must pay out on the account of due bills he has issued which are outstanding, plus the number of shares he must credit his customers who are in a long position on the firm's books on July 15th, after which he should be able to balance his books.

Due bills are not always presented for collection the same day they are payable, but, if the records are kept correctly, the Dividend Clerk can always tell what due bills are outstanding.

In addition to the points covered in the foregoing description, another condition for the Dividend Clerk to take note of is the following: A client may be long stock July 1st as in the above case and may give instructions (while the stock is carrying due bills) to have it transferred to his name and delivered to him. The transfer is made and the stock delivered to the customer with a due bill attached. Unless a due bill is attached to the security, the customer will not get any dividend as he will not be shown long on the firm's books on July 15th.

Cash or Stock Dividends (Optional)

In some cases a corporation will declare a dividend, payable either in stock or cash at the option of the stockholder, and will designate a specific date by which time the stockholder must inform them which he desires to receive.

The Dividend Clerk must immediately notify all customers who are long of the stock when the books close, and advise the corporation accordingly. In addition, when the time limit

draws near the Dividend Clerk will confer with the Cashier and then notify the Corporation as to what they desire to receive in dividends due them. There have been cases where the difference in accepting stock instead of cash (or vice versa) has involved a considerable difference in value and accordingly in what the stockholder would receive. In these cases the firm will take what gives the best value and will settle with the customers as they instruct, either in cash or in stock.

Cash Settlement Fractional Shares

Where a corporation declares a stock dividend, payable in stock and the stockholder receives as his dividend only a fractional share, or full shares and a fractional share, the Corporation instead of issuing fractional shares will at times settle on a cash basis at the market price. For example, the books of the Goldman Sachs Company close on November 1st for a 1% dividend. The closing bid price for the stock on that day was $100. If the records show 590 shares of that stock held in the firm's name, you will receive 5 shares of stock and $90 in cash in lieu of the fraction represented by the 90 shares. The customers of the firm would be credited, as follows:

Goldman, Sachs Company		CR	
110 John Brown	1 sh.	$10	cash in lieu of fraction
380 James Dunn	3 sh.	$80	cash in lieu of fraction
84 Mary Jones		$84	cash in lieu of fraction
16 Fail Deliver		$16	
Total to be credited and paid out	4 sh.	$190	Cash

The above statement shows a total of 4 shares and $190 cash to be credited to customers and to the account of Fail Deliver, and, as indicated previously, the firm would receive 5 shares and $90 from the Corporation. It is now necessary for the firm to sell one share of stock in order to make up the difference in cash credited to customers in lieu of the fractional shares and the cash received in lieu of fractional shares issued by the company. It is very important that the dividend proofs be

balanced as soon as possible as the market price of the stock may go down between the "Ex" date and payable date. The more odd lots that customers are long of, the more stock it will be necessary for the firm to sell to adjust the difference.

The above procedure is, of course, not necessary if the Corporation will issue fractional shares.

Rights To Subscribe

Rights are handled by the Dividend Clerk in the same way as cash and stock dividends, except that the customers are credited with Rights. For example: General Motors Corporation are offering the stockholders of record on September 15th, the right to subscribe to new stock at $50 a share in the proportion of one new share for each five shares held; with the right to subscribe expiring on September 30th. The Dividend Clerk after getting his final position for September 15th will write to each of the firms' customers, who are in a long position on this stock, as follows:

> "Dear Sir:
>
> When the books of the General Motors Corporation closed for Rights on September 15th, your account was long 100 shares, which gives you the right to subscribe (at the rate of one share for each 5 shares held) to 20 shares of new stock at $50 a share. The market for these rights is 2½—2¾. Rights expire September 30th.
>
> Will you kindly advise us as soon as possible what disposition you wish made of same."

The day the rights expire (September 30th) the Dividend Clerk receives a record of the final position of his accounts, as some of the customers may have sold their rights since the date when his previous position was taken. The Dividend Clerk must then check off from his position the customers who are subscribing to additional stock, collect all the rights he has left over (these being what customers have not sold or used for subscription) and put in an order to sell the remaining rights. In some houses the Dividend Clerk before selling the rights confers with the Cashier. After the rights are sold he credits the customers who are still long with their proportion of the rights sold.

Rights and Warrants

There is a difference between Rights and Warrants, which at times, causes some confusion in the minds of stockholders. For example, in connection with the above case, if you were a holder of 100 General Motors, you would receive from the Corporation a "Warrant" entitling you to subscribe to 20 shares. A warrant for 20 shares on the subscription terms of one share for each 5 shares held would represent 100 Rights. On the New York Stock Exchange, the trading is all done in Rights and not in Warrants.

When the brokerage firms receive their warrants they calculate the number of Rights they represent and this number is recorded on top of the certificate. The transactions as previously mentioned are recorded and handled as rights throughout the office and not as warrants. When customers subscribe to new stock, the Dividend Clerk delivers out on the blotters the rights the customers are long and receives in on the blotters the new stock, charging the customers with the amount of the subscription for the new stock. In some offices, however, this is handled by the Transfer Clerk.

Bond Interest

There are two general types of bonds—Registered and Coupon. The interest payments on the registered bonds are mailed by the corporation to the party in whose name the bonds are registered. Bonds having coupons attached are sometimes registered in the name of an individual or firm, but such registration applies only to the principal and not the interest.

The Coupon Bonds have coupons attached. These coupons are dated and on each due date the coupon is detached and forwarded to the bank for collection. When depositing in a bank it is sometimes necessary to attach ownership certificates for income tax purposes.

The majority of corporations generally pay their interest (coupon) semi-annually, on the first of the month, but some pay quarterly, while a few pay on odd dates such as the 10th of the month.

The Stock Record Department keeps a record of the coupon payment dates in their bond record book. The Dividend Clerk

should first examine all the records in the bond record book in order to find out which bonds do not pay semi-annually or quarterly and he should then make a record of these bonds, and the coupon dates in his diary. On the bonds that pay on the 1st and 15th, just previous to these dates, the Dividend Clerk receives a list from the Stock Record Department showing the clients who are long and where the bonds are located. For example, Atchison 4% 1996's pay their interest on October 1st. The Dividend Clerk receives a list about September 29th of customer's longs and the location of the bonds. After getting this list the Dividend Clerk makes out substitutions withdrawing the coupon from the bonds that are in loans.

The substitution blanks are filled out as follows:

"CHASE NATIONAL BANK" September 30, 1929.
Amount of Loan: $100,000—Rate 7%—Date of Loan Sept. 10.
We wish to withdraw the following coupons due October 1st on 10M ATCHISON 4/96."

(Firm's Signature)

The Substitutions are then sent out and a few days later the Dividend Clerk will receive the coupons from the banks.

After the Stock Record Clerk post all the items for the day the Coupons are payable, the Dividend Clerk then gets a complete list of all the securities held, both long and short.

On the morning of the first the Dividend Clerk must cut the coupons from the Bonds in the box. On 'Fail-to-Receive' items he will either get the coupons from the brokerage houses which have failed on these securities, or a check equivalent to the amount due as represented by the coupons.

After collecting all his coupons from the Box, Loans and 'Fail-to-Receive' Accounts he then credits all the customers that are 'long,' depositing the coupons in the Bank.

In depositing coupons it is necessary in some instances to fill out an Ownership Certificate for income tax purposes. There are two forms of these Certificates.

A Dividend Clerk has other duties, such as, making claims, following up collection of claims, keeping a record of all the Due Bills issued; keeping a record of all Due Bills to be col-

lected; making up sheets, crediting customers with dividends when payable; watching ledger accounts, handling payment of dividends; and lastly, looking up differences.

Making Claims

Occasionally a brokerage house will not get stock in transfer, on the day the books close, in time for dividend, and in other cases may miss the dividend entirely; that is, the books may close without the knowledge of the Dividend Clerk. The Dividend Clerk, if he has the certificates in the office or in loans, will then make a claim for the dividend. If the certificate is in the name of another brokerage house he will make claim, as follows:

"Muir & Loomis,
39 Broadway,
New York City.
Dear Sir:

On October 2nd when the books of the Pennsylvania Railroad closed for dividend of $1.50 a share, we held certificate No. 123462 for 50 shares registered in the name of yourselves on which we claim dividend payable October 31st.

When dividend is payable will you kindly forward check covering this dividend, and upon your so doing, we hereby guarantee to protect you from any further claim for same.

Very truly yours,

Harris, Winthrop & Company,

By.....(Firm's Signature)"

If a certificate is in an individual's name the Dividend Clerk makes a claim on the brokerage house or bank guaranteeing the signature, which naturally would be the signature of their client. When the Dividend Clerk does not have the actual certificate, in the event of its having been delivered out of the office, he must write the transfer office as follows:

"U. S. Steel Corporation—Transfer Department.
Dear Sirs:

When the books closed September 12th for dividend on the common stock of your Company we were the holders of Certificate No. 126265 for 25 shares.

Kindly furnish us with the name, address, and guarantee on the certificate.

Yours very truly,
F. B. CAHN & CO."

If the certificate in the meantime has been delivered by some other party to the U. S. Steel Corporation for transfer, they can furnish you with the name and guarantee. If it has not been transferred, they can only furnish you with the name and address of the individual, and the Dividend Clerk must then claim direct from the individual.

When claiming for clients attach duplicate copy of letter to the letter of the party claiming the dividend, so that when the check is received you will know whom to pay.

The form used for cash and stock dividends is about the same. The Dividend Clerk simply inserting **'stock'** when necessary before the word dividend.

The form for claiming on Rights is as follows:

"Livingston & Company,
111 Broadway,
New York City.
Dear Sirs:

On October 3rd when North American Company's books closed for the issuance of rights, we were the owners and holders of certificate No. 267952 for 100 shares of this stock registered in the name of Charles Adams, and guaranteed by yourselves on which we claim the rights expiring October 29th.

Will you kindly collect and forward these rights to us, and upon your so doing, we hereby guarantee to protect you from any further claim.

Very truly yours,
Eastman, Dillon & Company,
(Firm Signature)"

The Dividend Clerk must keep a file box and as he makes claims, the duplicate of the claim must be placed in the files in alphabetical order under the name of the stock in question. As the dividends are paid by the various Corporations, the clerk must get out his duplicate claims and collect on them. In most cases after the dividend has become payable, the dividend clerk must continue to follow up the house or individual he is claiming from, as some claims are difficult to collect.

On the dividend proof a record should be kept of all due bills received and issued and also of all claims paid. On claims for clients the record is kept in the file, but not on the proof, as these claims when collected are immediately remitted to the client.

As checks for claims and due bills are received or paid out, the proof must be marked accordingly.

Proofs must be kept together, until all items are settled after which time they are filed away.

Generally on the first and fifteenth of each month there are a number of dividends payable. On these dates the Dividend Clerk will write up in advance his credit sheets (copying from his proofs) recording all the dividends that are payable, and showing the credit due to the customer. When the checks are received, he pulls out these sheets together with his proofs. On the proofs he shows what amount he receives from the corporation and the amount of any other checks received. The difference between the amount received and the amount credited to customers is then charged or credited to the Dividend Account. On the day on which dividends are payable a notice is sent out to all customers advising them of the dividend credit being allowed them in their account.

Checking Up Differences

Should the proof show, for example, that you should receive from the corporation a check on 1800 shares on the account of stock registered in the name of your firm, and you only receive a check for the amount represented by 1700 shares, the Dividend Clerk must then recheck his records on the securities supposed to be in the firm's name. If after rechecking

there is no error, he must write the transfer office of the corporation as follows:

"When the books closed September 10th for dividend on U. S. Steel Common Stock, our records show we were the holders of the following certificates, totaling 1800, registered in our name:

126275 —100 shares 127216/23—800 shares
126278/82—500 shares 128215/16—200 shares
128224/50—200 shares
Total 1,800 shares.

Kindly check and advise the name, address and guarantee on the certificate—not registered in our name.

Yours very truly,

THOMSON & McKINNON"

When the corporation answers it will be disclosed that one certificate listed above will probably be in another name. For example, No. 128224 is in the name of Arthur Snyder—112 East 12th Street, New York City. You then will find out from the dividend proof where this certificate was when the stock sold Ex, and if it is still in the office or in loans you enter a claim from the party guaranteeing the certificate, and, if it is not in the office you claim direct from the above named individual, i. e., Arthur Snyder. It is much easier to make your claim effective if you have the certificate.

Sometimes the Loan Clerk will show stock in a loan as being in the firm's name when it is in another name. Sometimes the Transfer Clerk will send stock to transfer the day the books close and it will be too late to make the transfer. In this event, when the stock comes back, instead of the Transfer Clerk changing his records in the transfer book so as to show the failure to make the transfer as of that date, he might hold the stock in an envelope and send it out the next day to transfer without notifying the Dividend Clerk. In this case the Dividend Clerk will be short in his accounts as he has figured the stock as being in the firm's name for the dividend.

A dividend ledger sheet is kept in the Bookkeeping Department of all dividends showing over and under payments. The Dividend Clerk must occasionally check up with the Bookkeeper to see if he is short on any dividends, as sometimes, he will, in error, file away a proof or mislay a claim, and by checking with the ledger it is discovered.

In a brokerage office the dividend record should always show a credit at the end of the year, on account of dividends unclaimed. The amount of the credit depends largely on the ability of the dividend clerk to first see that he is not short on any dividend, and secondly, and of great importance, he must see that he collects on all claims and due bills. He might be over on the regular dividend transactions, but could be over much more and thus show a more favorable balance by collecting all claims and due bills and by carefully checking all dividend proofs showing dividends due from all sources.

CHAPTER VIII

Cashier's Department

CAGE AND CASHIER'S DEPARTMENT

The principal duties of the cashier's department are the financing of the firm's transactions through the proper operation of its borrowing and loaning facilities, the examination, custody, delivery and receipt of securities and a proper keeping of the necessary records to be transmitted to the other departments.

While the transfer department and the dividend department may properly be considered as an integral part of the cage, they are, for the purpose of this book taken up completely in separate chapters. Excluding these two departments a well organized cage should consist of the following divisions:

The Cashier and as many assistants as may be required for the purpose of supervision, financing, and attending to the vast amount of detail connected with the work.

The receipt and delivery of securities which would include receive clerks, delivery clerks, head stock clerk, check book clerk, and messengers, loan department, including head loan clerk and assistants.

The number of men in the entire department varies, of course, with the volume of work handled. In large houses twenty to thirty men may be necessary whereas in very small houses two or three men would be sufficient.

The Cashier

The cashier, in addition to supervising all the work in the cage and assuming the responsibility therefor, is mainly concerned with the work of managing the finances of the firm. This work requires a great deal of experience and covers not only the clerical viewpoint but a thorough acquaintance with money and market conditions. After ascertaining that the previous day's work has been completed; that is, seeing that the proper balancing of money and securities has been attended to, the cashier will give his attention to the day's financial requirements.

Figuring Loan Requirements

The situation as to this phase of his work will be disclosed by an examination of Night Clearing House balances, odd lot balances, items going through on the Ex blotter, money to be paid to or received from customers who usually buy and sell for cash, time loans falling due and from the other large items which would affect the cash position of the firm.

This will give him the preliminary cash position, but these figures are not final as many contingencies arise during the day which will make substantial changes in his requirements. The principal items making such changes are calling of call loans, failed to deliver, failed to receive, which frequently are subject to sudden changes due to the clearing of old items and also the establishing of new ones, unexpectedly large demands from customers and unusually large remittances from customers. The smaller items are not taken into consideration as an adequate bank balance will give the needed leeway.

However, after obtaining his preliminary figures the cashier completes a part of his financing by paying off loans or making new loans as the occasion requires. He will then keep a close check on all large cash items during the day and will make his final adjustment sometime during the afternoon. If he has more money than is required he will loan it out on call or if short will borrow the necessary amount.

Call and Time Loans

A substantial portion of the money borrowed should be on time, that is, a loan with a fixed maturity and rate of interest. In making time loans, however, the cashier must use his judgment as to the future cost of money, and period of time. If in his opinion money is too high he will restrict his time loans as much as possible, so that in the event of a break or decline in money rates, he can take advantage of a lower rate, but on the other hand, if money is low he is in a position to increase his time loans to a reasonable extent. However, as no man's judgment is infallible, a certain portion of the loans should be on a time basis to prevent sudden demands that might prove embarrassing in a high money market.

Bank Requirements

The cashier should make it a point to know the requirements of the banks he deals with so that matters of equity, class and classification of securities will be agreed upon with as little negotiation and discussion as possible. Banks require substantial margins, diversification, marketability, and the cashier will save endless trouble for himself and his firm by watching these conditions from his side of the transaction in order that these requirements can be met.

Loaning Securities

Part of the financing may be arranged by loaning stocks at the market price at the current rate of interest, which in effect is borrowing money without the necessity of margin. However, this cannot be done in large enough amounts, and some firms do not loan securities except as an accommodation or where market conditions command a premium to be paid by the borrower of the stock.

Responsibility

As stated previously, the cashier is entirely responsible for everything that takes place in the cage and it is necessary for him to keep in close touch with the activities of his assistants. He must watch loans, deliveries, the condition of failed to receive and failed to deliver accounts, subscriptions account of rights, exchange of securities, reorganizations, the collection of dividends and bond interest, the payment of principal on callable bonds, remittances and deliveries to customers, etc.

The cashier, of course, does not perform the actual work involved in all these situations, but as an executive he must know that it is being performed properly.

For instance, he will know that a certain corporation is exchanging all its common stock for the stock of a new corporation on Nov. 15th. On November 10th or thereabout, he will start looking into this situation. First he will instruct the loan clerk not to put any of this stock in loans, and to withdraw all that he possibly can. He will examine the stock in the box and safe keeping departments to ascertain if the certificates are in proper shape for the exchange and will take all neces-

sary steps to correct any errors that may exist. He will examine the fail accounts and do everything possible to expedite delivery. Stock to be transferred will be put through with all possible speed. Thus when the date of exchange arrives he will be well prepared to effect it without a last minute rush and the consequent disarrangement of his routine.

The above action should be taken in all matters that cannot be handled properly by the dividend department.

The cashier is usually the chief executive of the entire clerical force and as such must hire, discharge, regulate salaries, attend to the pay roll, see that the work is properly split up, and apportioned so that no one is overburdened, and should strive to maintain a spirit of helpfulness and co-operation throughout the entire organization.

In the larger offices there is a general manager who lifts considerable of the burden of much of this work from the cashier.

In such case the cashier can devote his entire time to cage operations, but in the absence of a manager these numerous duties would fall to him.

The Loan Clerk

The duties of the loan clerk are to keep an exact and complete record of all collateral loans, both time and call. This includes name of lender, amount of loan, maturity, rate of interest, changes in call money rate, description and amount of collateral, market price, total market value of collateral, the amount of equity or margin, numbers of certificates, identification of certificates in loans by some mark which will indicate that they are not in the firm's name, substitutions, date of entry and withdrawal, and the figuring and payment of interest.

Method of Procedure

The work of the loan clerk for any stated day starts during the afternoon of the preceding day. As soon as the records are available he will ascertain what securities are needed for delivery or transfer the following day. This is effected by an examination of Clearing House balances, odd lot sheets, transfer records, instructions covering delivery for the account of customers and a report from the dividend department showing

stocks on which the books will close for dividend on the next day.

After obtaining this information he will have a complete picture of the next day's requirements, and the next step is to consult the stock record covering each class of security, which will disclose where the desired securities are located.

Substituting

Considerable judgment must be used by the loan clerk in arranging his substitutions so that he can withdraw the securities with a minimum amount of recording. For instance should he discover that many of his requirements are in one call loan it would be more advantageous to pay off this loan entirely than to make a substitution. On the other hand this call loan may have been running for a considerable period of time, it may be very advantageously placed and it would be better to substitute in this case. As a matter of fact many so-called call loans have been running for years and most every brokerage office has one or two of this character.

Continuing with the work of preparing substitutions let it be assumed that 600 shares of American Can are required for all purposes. The stock record shows 500 shares in the box, thus only 100 shares must be obtained from loans. The dividend department shows Baldwin Loco selling ex-dividend, stock record shows 100 shares in Seaboard National Bank, loan of September 15, and an examination of the loan sheet shows that this certificate is not in the firm's name. This must also be withdrawn in order to transfer it and obtain dividend. The Dividend department also shows Consolidated Gas selling ex-dividend, and stock record shows 200 shares in same loan, but the loan sheet shows that the certificates are registered in the firm's name. Therefore it is not necessary to substitute for this item.

In the case of Baldwin, if there were additional stock in the loan it would be necessary to state the number of the certificate desired, in this case, A625, as disclosed by the loan sheet.

In order that these various steps may be plainly shown, an example showing the details in the record of a time loan is presented below. This loan is supposedly made with the Seaboard National Bank on September 15, and shows the substitutions noted above together with such other securities as are required.

TIME LOAN

Borrowed from Seaboard National Bank $100,000

Date Made, Sept. 15, 1929. Date due April 15, 1930. Rate 6%.

Date Deposited	Date Withdrawn	Description	Shares	Price	Value	Numbers
Sept. 15		Am. Can	100	131	13,100	(26423)
		Baldwin Loco	100	32	3,200	(A 625)
		Beth. Steel	100	103	10,300	5995
		Ill. Central	200	128	25,600	32681-32682
		General Elec.	200	210	42,000	964-1128
		General Motors	300	54	16,200	10102-10143 (694682)
		Con. Gas	200	115	23,000	16225-16226
		Cont. Baking A	200	50	10,000	11240-19863
					143,400	

The loan sheet shown above is self-explanatory with the exception of the brackets around certain certificates. This is to indicate that these certificates are not in the firm's name and must be withdrawn when American Can, Baldwin Locomotive and General Motors close their books for dividends or reorganizations of any kind.

The records which the loan clerk has obtained from the sources previously stated indicate that 100 Amer. Can, 100 Baldwin Loco, 100 Beth. Steel and 200 Illinois Central must be withdrawn from this loan and he accordingly makes out the following substitution blank:

"New York, November 1, 1929.

The Seaboard National Bank,
New York, N. Y.

Gentlemen:

Please deliver to bearer from LOAN September 15, 1929, of $100,000, the following securities valued at $52,200:

100	Amer. Can	131	$13,100
100	Baldwin Loco	32	3,200
100	Beth. Steel	103	10,300
200	Illinois Central	128	25,600
			52,200

and substitute the following securities valued at $52,700:

200	Radio	43	$ 8,600
200	U. S. Steel	190	38,000
100	Rem. Rand	36	3,600
100	Shell Union	25	2,500
			52,700

and oblige.

Yours respectfully,
F. B. CAHN & CO."

The top part of the substitution or withdrawal is made up on the previous evening and the substituted securities listed the next morning when the boxes are available. Again much judgment must be used in substituting, as the character of the loan, condition of the box, etc., are all important contributing factors in the arranging of loans. Classes of various loans are round lots, odd lots (less than 100 shares) listed, unlisted, mixed, special, etc., and the substitutions should conform to these specifications.

Bearing in mind the fact that more loans will probably be made during the day with a consequent additional demand upon the box, the loan clerk should make his substitutions so as to leave a sufficient reserve of acceptable collateral for this purpose. In other words the box must be left in good shape for the demands that may be made upon it.

The above substitution does not by any means represent the entire day's work. The securities withdrawn for substitution in this case were those that were required from the loan of September 15, but many other loans would be involved. In a busy market it would probably be necessary to make from 15 to 75 substitutions in connection with the various loans.

The substitution blank is made in duplicate, the second copy being retained by the loan clerk. When he receives the withdrawn securities the loan clerk enters the numbers of the certificates on the duplicate so that proper notation can be made on the loan sheet. He also takes a record of the numbers of the certificates of the substituted securities.

The Loan Sheet

After completing all records after this substitution the loan of September 15 will appear as follows:

TIME LOAN

Borrowed From Seaboard National Bank $100,000

Date Made, Sept. 15, 1929 Date Due, April 15, 1930 Rate 6%

Date Deposited	Date Withdrawn	Description		Shares	Price	Value	Numbers
Sept. 15	Nov. 1	Amer. Can	(√)	100			(26423)
	Nov. 1	Baldwin Loco	(√)	100			(A625)
	" "	Beth. Steel	(√)	100			5995
	Nov. 1	Ill. Central	(√)	200			32681 32682
		General Elec.		200	210	42,000	964-1128
		General Motors		300	54	16,200	10142-10143 (694682)
		Cons. Gas		200	115	23,000	16225-16226
		Cont. Bakg. A		200	50	10,000	11240-19063
Nov. 1		Radio		200	43	8,600	6246-(38942)
		Steel		200	190	38,000	16225-48967
		Rem. Rand		100	36	3,600	(38229)
		Shell Union		100	25	2,500	50/-19682 25/16284 (25/19225)
						143,900	

When the withdrawn securities have been eliminated from the loan, the loan record sheet would appear showing a line drawn through the name of the securities withdrawn, including the price, valuation and numbers of certificates and would show the substituted securities properly entered. In the foregoing example the four items checked would be shown on the record with a line drawn through them. It will be noted that the item of 100 Shell Union consists of one 50 share certificate and two 25 share certificates. The price and value of the stocks are entered in pencil in order that they may be changed readily.

Maintaining Proper Equity

In analysing this loan it is seen that there is an equity of $43,900 or a margin of nearly 44%. This is of course rather high in normal times, but as a matter of fact, about 40% was required by the banks just before the enormous break in the market in October-November, 1929. Bankers realized that securities were selling very high and made every effort to obtain the maximum protection. After the November break the requirements were reduced to about 25%.

In any severe fluctuations either up or down, the loan clerk must refigure valuations so that the equity will be kept at the proper level. This is done by changing all prices to the market value and adding additional collateral if the equity is low or by withdrawing collateral if the equity is too high.

Payment of Interest

All interest items pertaining to loans are in charge of the loan clerk. It is the usual custom to pay all interest charges at the end of the calendar month on both time and call loans.

After figuring interest on all loans, the loan clerk lists each item and sends it to the check clerk who draws the checks to the various banks and charges the entire sum to interest account.

The usual loan sheets have columns on the right hand side providing for figuring the interest. In the illustration given, a time loan of $100,000 was made on September 15, 1929, 7 months at 6% due April 15, 1930. The interest calculation would appear as follows:

Date	Rate	Days	Amount
Sept. 30	6	15	250
Oct. 31	6	31	516.67
Nov. 30	6	30	500
Dec. 31	6	31	516.67
Jan. 31	6	31	516.67
Feb. 28	6	28	466.67
Mar. 31	6	31	516.67
Apr. 15	6	15	250

The loan being made on September 15, there would be $250 due and paid on September 30, representing 15 days at 6%. On October 31, the interest would amount to $516.67, and so on until the loan matures.

Interest on call loans is figured on an entirely different basis, as call loans are subject to a daily change in rate. For illustration let us assume that the loan of September 15, for $100,000, was a call loan, eventually paid off on November 14, 1929. The interest calculation would appear as follows:

Date	Rate	Days	Amount
Sept. 15	9	5	$125
20	10	9	250
29	8	1	22.22
Interest paid Sept. 30			$397.22
Sept. 30	8½	3	70.84
Oct. 3	7½	3	62.50
6	8	10	222.22
16	9	15	375
Interest paid Oct. 31			$730.56
Oct. 31	8	4	88.88
Nov. 4	6	10	166.67
Interest paid Nov. 14			$255.55

The loan was originally made at the call rate of 9%, but changes in rates were made on September 20, September 29, September 30, etc., as shown above. Interest payments were made on September 30, of $397.22; on October 31, of $730.56; and again, at payment of loan, on November 14, $255.55; totaling $1,383.33. The original rate of 9% was maintained for only five days as the rate was changed to 10% on September 20.

In figuring interest on call loans in this manner there is considerable work involved and a great saving of time may be effected by another system which is covered by the following rule:

For each $100,000 principal amount multiply the rate by the number of days, increase two decimal places and divide by 6 twice. Exactly the same result would be obtained and it is considerably simpler, as shown by the following examples:

Date	Rate	Days	Amount
Sept. 15	9	5	4,500
" 20	10	9	9,000
" 29	8	1	800
Total			6)14,300
			6)2,383.33
Interest paid Sept. 30			397.22

Date	Rate	Days	Amount
Sept. 30	8½	3	2,550
Oct. 3	7½	3	2,250
6	8	10	8,000
16	9	15	13,500
			6)26,300
			6)4,383.33
Interest paid Oct. 31			730.56

If the loan were $50,000 the interest, of course, would be divided by 2 or $198.61. A principal amount of $200,000 would call for interest of $794.44, etc.

This system is particularly effective when a great many rate changes occur during the month. It is nothing unusual for the rate to change daily and under the first system this would involve 30 different interest computations, whereas the shortened method would involve only simple multiplication and division.

Transmitting Information to Stock Record

A resume of the entire day's operations must be given to the stock record clerk in order that a security balance may be reached. Following is the usual form of memorandum used for this purpose:

RECEIVED				DELIVERED			
Shares	Description	Date of Loan	Bank	Shares	Description	Date of Loan	Bank
100	Amer. Can	9/15	Seaboard	200	Radio	9/15	Seaboard
100	Baldwin	"	Seaboard	200	U. S. Steel	"	Seaboard
100	Beth. Steel	"	Seaboard	100	Rem. Rand	"	Seaboard
200	Ill. Central	"	Seaboard	100	Shell Union	"	Seaboard
100	Gen'l Asphalt	8/23	Guaranty Tr.	100	Fashion Park	8/23	Guaranty Trust
600	Amer. Can	9/4	Chase Nat'l	200	Miss. Pacific	9/4	Chase National
				300	Motor Prod.	"	Chase National
				400	End. Johnson	"	Chase National
				100	Dupont	"	Chase National
100	Lambert Co.	7/14	Cont. Bk.	100	Am. Power Pfd.	7/14	Cont. Bank
				200	U. S. Steel	11/1	Hudson Trust Co. (new loan)
				400	Gen'l Motors	"	" " "
				100	Dupont	"	" " "
				200	Atchison	"	" " "
300	Yellow Cab	8/16	Commerce Paid off				
200	Wright Martin	"	Commerce " "				
100	General Elec.	"	Commerce " "				
100	Westinghouse	"	Commerce " "				

Different systems are in vogue in different houses. In smaller firms all entries are put on the blotter, while others use the duplicate substitution sheets, new loan sheets and loans sheets representing loans paid off for the purpose of the stock record.

In a number of houses the securities in loans are entered as one item on the Stock Record under the title of (Hypo) instead of individual bank items. In this event it is necessary for the loan department to keep a separate record listed under the name of the security. In other words, a cross index showing in what loans each kind of security is located.

Qualifications

The success of a loan clerk depends in a large measure on his ability to analyze the many situations with which he will be confronted as well as in keeping a strict and accurate record of the work involved in all transactions, which should be checked by sending a complete list of the collateral to the banks each month, for confirmation. The capital of his firm, its relation with the banks, and the class of securities handled are all important factors to be considered by the loan clerk in arriving at his decisions. This mature judgment can be obtained only through actual experience and an intensive study of all conditions surrounding his duties.

An instance of the problems which arise may be illustrated by the following situation: The loan clerk after an examination of all balances finds that a large sum of money, say $1,000,000, will be gained through delivery of securities. It not being good policy to increase bank balances to this amount, it is therefore necessary to pay off loans aggregating approximately this amount. However, in paying off he must be careful not to disturb any special loans which for various reasons should remain intact. Furthermore, he should pay off the loans in which most of the desired securities are located, thus cutting down the substitutions to the minimum.

Receipt and Delivery of Securities

For the purposes of this book the duties of the stock clerk and the delivery and receive clerk have been combined. In some of the larger firms these duties may be split up among

any number of men but the general method of operation is practically the same.

The stock clerk in this instance therefore has custody of the securities, receives and delivers securities, examines them for any flaws which would make a bad delivery, and originates the entries for failed to deliver and failed to receive accounts. The check book and the blotter are also under his supervision or may be handled directly by him.

At the start of the day's work the stock clerk will examine the Clearing House security balances, the deliveries to be made on ex-blotter, and all securities to be delivered.

He will then make up his Clearing House receive and delivery sheet (Form A); Curb Clearing House receive and delivery sheet (Form B); Odd Lot receive and delivery sheet (Form C); and Cash Blotter (Form D), which would appear as follows after the completion of the day's work:

Figure 24—Form A

NEW YORK STOCK EXCHANGE SHEET

CLEARING HOUSE

TO RECEIVE

Broker	Shares	Description	Price	Amt.	Acct. Numbers
Blue & Co.	100	Steel	160	16000.	CH 43262
Brown & Co.	200	Anaconda	85	17000.	" 28685-84
White & Co.	100	Amer. Can	100	10000.	" Fail
Smith & Co.	200	Radio	43	8600.	" (1)6882
Jones & Co.	100	Armour 7% Pfd.	80	8000.	(1) Fail " 8529
Deck & Co.	200	Atchison Pfd.	100	20000.	" 6245-6246
Camp & Co.	1M	Ann Arbor 4/95	86	875.22	" Fail
Lewis & Co.	2M	Armour 5½/43	83	1704.28	" 1648-1649
Muller & Co.	1M	B O 6/95	107	1085.62	" 8265
French & Co.	100	Atlas Powd.	38	3800.	" 2592
				18726.87	Fail Del.
				105791.99	

TO DELIVER

Broker	Shares	Description	Price	Amt.	Acct. Numbers
Street Co.	100	Con. Cigar	50	5000.	CH Fail
Carr & Co.	200	Coca Cola	116	23200.	" 8362-63
Block & Co.	100	Corn Prod.	80	8000.	" Fail
Levin & Co.	200	Cudahy	37	7400.	" 4285-3987
Hosmer & Co.	100	Columbia Gas	55	5500.	" 9462
Hirsch & Co.	200	Amer. Ice	31	6200.	" 7548-7622
Nowell & Co.	100	Childs	48	4800.	" Fail
King & Co.	1M	Erie CV 7/30	100	1016.25	" 8796
Kay & Co.	1M	Gt. No. 5½/52	106	1087.22	" 6245
Lamb & Co.	1M	Ill. Cen. 4/53	91	926.87	" Fail
				15175.22	Fail Rec.
First Nat. Bk.	100	Am. For Pow.		10000.00	J. Smith 1699
		CHECK TO C H		17486.43	
				105791.99	

Fig. 25—Form B

NEW YORK CURB CLEARING HOUSE

TO RECEIVE							TO DELIVER						
Broker	Shares	Description	Price	Amt.	Acct.	Numbers	Broker	Shares	Description	Price	Amt.	Acct.	Numbers
Cap & Co.	100	Amer. Gas	73	7300.	CH	1859	Leff & Co.	100	Thermoid	21	2100.	CH	7842
Keen & Co.	100	Cities Serv.	30	3000.	"	1652	Pink & Co.	100	Middlewest	29	2900.	"	8692
Horn & Co.	200	Ark. Gas	10	2000.	"	Fail	Pell & Co.	100	Graymur	32	3200.	"	Fail
Baker & Co.	100	Fox Theatre	12	1200.	"	9362				Total	8200.		
			Total	13500.							2000.	Fail	
				3200.	Fail							Rec.	
					Del.							C. H.	
									Balance		6500.	Bal.	
				16700.							16700.		

Fig 26—Form C

ODD LOT SHEET

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WALL STREET

TO RECEIVE							TO DELIVER						
Broker	Shares	Description	Price	Amt.	Acct. Numbers		Broker	Shares	Description	Price	Amt.	Acct. Numbers	
Carlisle & Co.	10	Steel			---(20) 18622		Carlisle & Co.	50	Gen'l. Elec.			--- 11485	
" "	50	Amer. Can			10 trans.		" "	20	Amer. T. & T.			---(30) 18140	
" "	50	Radio			--- 18623							10 change	
" "	25	Int. Shoe			--- Fail (38)							16422	
				1740.	--- 16995		" "	30	Royal Dutch			--- Fail (58)	
					Fail Del.				Balance		5400.		
Check from		Carlisle & Co.		5560.								Fail	
											1900.	Rec.	
				7300.							7300.		

CASH BLOTTER
(Form D)

TO RECEIVE DEBIT

	Bought of	Quantity	Description	Price	Amount	Interest	Cr. Com.	General Ledger	For Account of	Numbers
1	Loan 8/16/29					216.25		40000	Bank of Commerce	
3	Check to balance							863.32	John Peters	
5	Potter & Co.	20	Amer. Meter	109	2180		5.00	2185	E. Summers	Transfer
7	Cole & Co.	50	Rolls Royce	17	850		6.25	856.25	Arthur Doyle	Fail
9								7500	Fail Deliver	
11								216.25	Interest a/c	
13	Check Stock Clearing Corp.							17486.43	C H	
15	Balance Curb							6500	"	
17	Guaranty Trust Co.							116536.45	Balance	
19								192143.70		
21	Rec'd	100	Endicott Johnson	Rec.					L. Cohen	7586
23	Rec'd	60	Nat'l City Bank	"					S. R. Bachman	(50) 19365 (10) 18229
25	Rec'd	200	General Motors	"					E. Halnes	6538-6539

Fig. 27 (Form D)

CASH BLOTTER

TO DELIVER CREDIT

	Sold to	Quantity	Description	Price	Amount	Interest	Cr. Com.	State Tax	Federal Tax	General Ledger	For Account of	Numbers
2	Guaranty Tr. Co.									120922.45	Balance	
4	Check									5000	Horace Jones	
6	Noble & Co.	20	Cons. Gas Balt. Pfd.	107½	2150		5.00	.40	.40	2144.20	Samuel Brown	(10) 18629 (10) 14265
8	Thompson & Co.	60	Nat'l Casket	125	7500		15.00	1.20	1.20	7482.60	Harry Gold	Fail
10	Div. 500 Cities Ser.									150	Frank Isaacs	
12	Loan									50000	Hudson Trust Co.	
14										850	Fail Receive	
16	Check Carlisle Co.									5560	C H	
18										31.25	Commissions	
20										1.60	State Tax	
22										1.60	Federal Tax	
24												
26										192143.70		
28	Delvd.	100	Johns Manville	Del.							J. Thorne	18625
30	"	200	Radio	"							Albert Gray	9246

While the work on these various sheets are handled simultaneously during the day, each will be discussed separately.

Comment on Clearing House Deliveries (Form A)

This sheet covers all receipts and deliveries which are cleared through the Clearing House and settlement is made at the end of the day through one payment, in this case, a check to the Clearing House for $17,486.43.

The sheet is made up in two sections, the first showing a debit of $79,600 and a credit of $60,100. These items clear through both the night and day branches of the Clearing House, but the last division affects the day branch only, and actually represent the balances of the three-way sheet, explained under Clearing House transactions.

Furthermore, the securities in the first division are not actually received from and delivered to the brokers, all deliveries being made to the Central Clearing House. For instance, Blue & Co. would deliver 100 Steel direct to Central where it would be picked up by the receiving broker and likewise the 100 Consolidated Cigars going out to Street & Co. would be delivered to Central where Street & Co. would obtain the stock.

The stock clerk therefore sends his messengers to the Central several times during the day to obtain the securities which have been delivered there for this firm's account, the last pick up being at 2:30 P. M.

As the stock clerk receives the securities from Central he examines them for any flaw in delivery, difference in price, etc., and enters the numbers. Numbers are also entered on the blotter for securities being delivered. After the last pick up the stock clerk enters in his records the word "failed" instead of the number of the certificate on any security which has not been received. He also enters the word "failed" against securities which he could not deliver.

Delivery of the securities in the second division with one exception are not made through Central but are received from and delivered to the brokers against receipt. These receipts are then delivered to the Day Clearing Branch where all credits and debits from both divisions are consolidated and final settlement is made with the broker.

The exception noted is 100 Am. For. Pow. delivered to the

First National Bank. This item is delivered to Central where it is picked up by the Bank and a credit passed to the House for $10,000.

Many of the banking institutions in the financial district are taking advantage of the Clearing House facilities for receiving and delivering securities and a partial list of these at time of publication includes:

Bank of America National Association
Bank of New York Trust Company
Bankers Trust Company
Central Hanover Bank and Trust Company
Chase National Bank
Chatham-Phenix National Bank and Trust Company
Chemical Bank and Trust Company
City Bank-Farmers Trust Company
Commercial National Bank and Trust Company
Continental Bank
Corn Exchange Bank and Trust Company
Dillon, Read & Company
Equitable Trust Company
First National Bank
Guaranty Trust Company
International-Manhattan Company, Inc.
Irving Trust Company
National City Bank
New York Trust Company
Bank of Manhattan Company

While on the subject of the banks it might be stated that loans can be arranged through Central. The borrowing broker sends the collateral to Central, and if it is acceptable the broker receives the proper credit at the Clearing House which would figure in the final settlement check.

However, most brokers have other facilities for borrowing, and it is the exception rather than the rule to effect loans through the Central Branch.

After 2:30 P. M. the stock clerk is ready to recapitulate his Clearing House transactions and begins by making proper

adjustment of the "Fail items". Going down the debit side under the number column it is seen that the "Fail to receive" items are as follows:

100	American Can	10,000
100	Radio	4,300
1 M	Ann Arbor 4/95.....	875.22
	Total	15,175.22

Not having received these securities, he is entitled to a credit at the Clearing House and therefore transfers the money amount to the credit side of the sheet as shown.

The same procedure is carried out on the credit side of the sheet for "Fail to deliver" items, the following being a debit at the Clearing House:

100	Cons. Cigar	5,000
100	Corn Products	8,000
100	Childs	4,800
1 M	Ill. Cen. 4/53	926.87
		18,726.87

The sheet is added, and the difference between each side represents the amount to be received or paid to the Clearing House. In this case the stock clerk sends a check for $17,486.43 to the house, which is charged on the Cash Blotter (see Figure 27, Form D, line No. 13).

After making a permanent record of fail to receive and fail to deliver items in a book kept for this purpose this part of the work is completed. The securities on hand are of course placed in the box.

Special forms provided by the Stock Clearing Corporation are used in making all deliveries of Clearing House items.

It is most important to keep in mind that all Night Clearing House transactions are received and delivered through the Central.

Receipt and delivery of securities to clearing banks are made through Central.

Day Clearing House transactions three-way items (second division, Figure 24, Form A) are made direct to brokers against receipt, said receipts being then sent to the House for proper credit.

Items appearing on Day Branch on the three-way sheet are inactive stocks not on the Night Clearing list, bonds, and other items which, for various reasons, could not be included on the Night sheet. These reasons would include disputed trades, difference in price to be adjusted, wrong name of broker, etc. These matters are usually adjusted the following morning and are then placed on the day clearing items.

Comment on Curb Clearing House Receive and Delivery Sheet (Figure 25, Form B)

This sheet represents the Curb Clearing House balances. The securities to be received or delivered are actually made to the brokers against payment, there being no Day Branch, in connection with the New York Curb.

Received securities are properly examined, the numbers entered, etc., and the checks in payment of delivered securities are certified, compared when received to be certain of correct amount and then deposited.

Fail to receive and deliver items are properly crossed, entered in the fail book and a balance arrived at, which is transferred to the cash blotter (see Form D, line 15, $6,500).

Comment on Odd Lot Sheet (Figure 26, Form C)

As dealings in odd lots (less than 100 shares) are very heavy, it has been deemed advisable to run a sheet with the odd lot broker, in this case, Carlisle & Company.

The sheet shown (Form C) embodies only seven transactions, four receipts and three deliveries, but it may cover hundreds of trades. For instance, ten shares of U. S. Steel are to be received which may represent 710 shares purchased and 700 shares sold. Considering that these transactions would be in small lots an endless amount of work is saved through the use of this sheet.

The sheet shows that there are to be received 10 Steel, 50 American Can, 50 Radio and 25 International Shoe; and to be delivered 50 General Electric, 20 Amer. Tel. & Tel. and 30 Royal Dutch at a net credit of $5,400 to be received from Carlisle & Company. This is the exact difference between the cost value and sales value of all the odd lots transactions which

have been previously posted to the customers' accounts by the bookkeepers.

The failed items as shown, of course, influence the amount of the settlement check to be received from Carlisle & Company. The prices of 38 for Radio and 58 for Royal Dutch are the market prices and are agreed upon by both brokers.

These fail adjustments change the settlement check to $5,560, which amount is paid by Carlisle & Company. The item is tranferred to the cash blotter. (See form D, line No. 16.)

It will be noted that Carlisle & Company delivered Certificate No. 18622 for 20 shares Steel against delivery of 10 shares. At the same time they requested the stock clerk to return 10 shares by transfer. The stock clerk will then pass the 20 shares certificate to the transfer clerk with instructions to transfer 10 shares in the name of the firm and 10 shares to Carlisle & Company.

Certificate No. 18140 for 30 shares of Amer. Tel. & Tel. was delivered to Carlisle & Company against a delivery of 20 shares. Carlisle returned 10 shares, Certificate No. 16422, thus completing this transaction.

Comment on Cash Blotter (Figure 27, Form D)

The cash blotter may be called the controlling medium to bring all cash items into actual balance, including the bank.

It is also used for security transactions which are not listed on any of the Exchanges, such as bank stocks, insurance stocks, and other unlisted securities. Other uses are in connection with transactions on stocks received and delivered for customers, stocks received and delivered for fail accounts and other items which could not correctly appear on Forms A, B and C.

On the receive side are found the following items:

Line No. 1—Payment of loan $40,000 to Bank of Commerce.

" " 3—Check for $863.32 to John Peters to balance his account.

" " 5—20 Shares Amer. Meter purchased for account of E. Summers. Commission charged $5.00, total debit $2,185. Name for transfer given to Potter & Company.

" " 7—50 shares Rolls Royce purchased for account of Arthur Doyle. Cole & Company failed to deliver this stock.
" " 9—Offset entry on line No. 8 fail to deliver.
" " 11—Interest on loan paid off.
" " 13—Check to balance Clearing House (Form A).
" " 15—Balance of Curb Clearing House (Form B).
" " 17—Bank Balance at close of business.
" " 19—Total debit addition.
" " 21 }
" " 23 } Securities received from customers.
" " 25 }

Deliver Side

Line No. 2—Bank Balance—opening of business.
" " 4—Check received for account of Horace Jones.
" " 6—20 shares Cons. Gas, Balt. Pfd., sold for account of Samuel Brown. Commission and tax deducted.
" " 8—60 shares National Casket, sold for account of Harry Gold. Commission and tax deducted. Failed to deliver to Thompson & Co.
" " 10—Dividend on 500 Cities Service credited to account of Frank Isaacs.
" " 12—Loan for $50,000 made with Hudson Trust Co.
" " 14—Offset entry line No. 7. Fail to receive.
" " 16—Settlement check from Carlisle & Co. (Form C).
" " 18—Total commission on cash blotter, including lines No. 5 and No. 7 on receive side.
" " 20—State Tax.
" " 22—Federal Tax.
" " 26—Total credit addition.
" " 28 }
" " 30 } Deliveries to Customers.

Proof of Balance

Blotter Balance (3 P. M.) (Line 17)..		$116,536.45
(10:00 A. M.)		
Check Book Balance	$120,922.45	
Deposits		
Horace Jones (Line 4)	5,000.00	
Noble & Co. (Line 6).....	2,150.00	
Cities Service Co. (Line 10).....	150.00	
Loan Hudson Trust Co. (Line 12)....	50,000.00	
Carlisle & Co. (Form C).....	5,560.00	
Leff & Company (Form B).....	2,100.00	
Pink & Company (Form B).....	2,900.00	188,782.45
Check Drawn		
Bank of Commerce (Line 1).....	40,216.25	
John Peters (Line 3).....	863.32	
Potter & Company (Line 5).....	2,180.00	
Stock Clearing Corp. (Form A).....	17,486.43	
Cap & Co. (Form B).....	7,300.00	
Keen & Co. (Form B).....	3,000.00	
Baker & Company (Form B).....	1,200.00	72,246.00
(3 P. M.)		
Check Book Balance		$116,536.45

Proof of Fail to Receive and Fail to Deliver

As the aggregate sum of the fail accounts is placed in the ledger it is necessary to check these accounts periodically with the blotter clerk who keeps a detailed record of all open trades. From the bookkeeping balance it will be noted that the failed accounts are posted as follows:

Fail to Deliver (Dr)	**Fail to Receive** (Cr)
$18,726.87	$15,175.22
3,200.00	2,000.00
1,740.00	1,900.00
7,500.00	850.00
$31,166.87	$19,925.22

The record kept by the blotter clerk would appear:

Fail to Deliver (Dr)

Streit & Co.	100	Cons. Cigar	50	$ 5,000.00
Bloch & Co.	100	Corn Prod.	80	8,000.00
Nowell Co.	100	Childs	48	4,800.00
Lamb & Co.	1 M	Ill. Cen. 4/53	88	926.87
Pell & Co.	100	Graymur	32	3,200.00
Carlisle & Co.	30	Royal Dutch	58	1,740.00
Thompson Co.	60	Nat'l Casket	125	7,500.00
				$31,166.87

Fail to Receive (Cr)

Smith & Co.	100	Radio	43	$ 4,300.00
White Co.	100	Amer. Can	100	10,000.00
Camp & Co.	1 M	Ann Arbor 4/95	86	875.22
Horn & Co.	200	Ark. Gas.	10	2,000.00
Carlisle & Co.	50	Radio	38	1,900.00
Cole & Co.	50	Rolls Royce	17	850.00
				$19,925.22

Bookkeeping Balance

Assuming that the price indicated on the N. Y. Stock Exchange Clearing sheet and the Curb Clearing House sheet were exactly the same as the actual purchases, the bookkeeping entries would appear as follows:

		DR		CR	
From Stock Exchange	C. H. Blotter	87,065.12	Customers	63,130.34	Customers
" Curb "	C. H. Blotter	13,500.00	"	8,200.00	"
" Stock "	C. H. Sheet	18,726.87	Fail Del.	15,175.22	Fail Rec.
" " "	" " "			10,000.00	J. Smith
" Curb "	C. H. Sheet	3,200.00	Fail Del.	2,000.00	Fail Rec.
" Odd lot Blotter				5,400.00	Customers
" " " Sheet		1,740.00	Fail Del.	1,900.00	Fail Rec.
" Cash Blotter		116,536.45	Bk.Bal. P.M.	120,922.45	Bk.Bal. A.M.
" " "		863.32	J. Peters	5,000.00	H. Jones
" " "		2,185.00	E. Summers	2,144.20	S. Brown
" " "		856.25	A. Doyle	7,482.60	H. Gold
" " "		7,500.00	Fail Del.	150.00	F. Isaacs
" " "		216.25	Int. a/c	50,000.00	Hud. Trust
" " "		40,000.00	Bk. of Com.	850.00	Fail Rec.
" " "				31.25	Com. a/c
" " "				1.60	State Tax
" " "				1.60	Fed. Tax
		292,389.26		$292,389.26	

While the stock clerk would not, of course, take off a bookkeeping balance, it has been shown here to illustrate how the various entries are brought into reconciliation.

Security Balance

The stock clerk, however, also has his part in balancing the securities. The stocks taken from the boxes and loans, put in the boxes and loans, and in and out of transfer are properly recorded by the loan and box clerks. To complete the record it is necessary to give the stock record clerk a list of fail to receive and fail to deliver items.

The securities are balanced in the following manner:

Amer. Meter

20 shares E. Summers (Form D Line 5) 20 shares Transfer

Rolls Royce

50 shares Arthur Doyle (Form D Line 7) 50 shares Fail Receive

National City Bank

60 shares S. R. Bachmans (Line 23)

60 shares Box

National Casket

60 shares Fail Deliver 60 shares Harry Gold (Line 8)

When the bookkeepers receive the sheets they do not post any items marked C. H., as these are merely balances transferred from other records. The check received from Carlisle Company (Form D Line 16), while not properly a Clearing House item, is marked in this manner to eliminate any possibility of posting.

Eliminating Fail Accounts

It is the duty of the stock clerk to keep both fail accounts down to a minimum, particularly fail to deliver. If this account is allowed to mount higher and higher it is very costly to his firm in interest. He must make every effort to obtain the securities necessary for delivery and if the fail to deliver items do not clean up rapidly, he must borrow the stock if it represents a short sale or insist on delivery of the stock if

coming to him through some other source. Small fail accounts are indicative of a good stock clerk.

In order to expedite delivery it is sometimes necessary to send a "buy in" to the broker from whom the stock was purchased. For this purpose the following form is used:

New York, ...

To.....

In case of non-delivery of.....

.....

due the undersigned before 2:15 P. M. today, the same will be bought in "under the rule" for cash for your account.

Respectfully yours,

.....

ORIGINAL PARTIES TO THE ABOVE NOTICE:

The order to the New York Stock Exchange will be given by

.....

to buy in for account of

.....

Date of original contract.....

If the stock is not received by 2:15 P. M. an order is placed on the floor to buy it for immediate delivery and the difference in price is charged or credited to the broker failing to deliver and the original failed item is cancelled.

If a stock clerk receives a "buy in" notice, he should take immediate steps to protect his firm. If the stock is in the fail to receive account the "buy in" should be passed along or if short, effort should be made to borrow.

Many items go into the fail to deliver account through the carelessness or inability of the loan clerk, who neglects to substitute for the desired security. In this case the stock clerk must insist on obtaining the security at once.

Reverting to Figure 24, Form A, there are several fail items which, when finally delivered would appear on the cash blotter as follows:

Receive

Broker	Shares	Description	Price	Amount	Account	Numbers
White Co.	100	Amer. Can	100	10,000	Fail Rec.	16542
Smith & Co.	100	Radio	43	4,300	" "	10224
Cary & Co.	1 M	Ann Arbor 4/95	86	875.22	" "	16941

Deliver

Broker	Shares	Description	Price	Amount	Account	Numbers
Streit Co.	100	Cons. Cigar	50	5,000	Fail Del.	17387
Blank Co.	100	Corn Products	80	8,000	" "	94226
Nowell Co.	100	Childs	48	4,800	" "	2246
Lamb & Co.	1 M	Ill. Cen. 4/53	88	926.87	" "	43818

The Bookkeeping Department would post only the money amount as no record of the details of the fail account are kept. The above seven items would be taken out of the fail book kept by the stock clerk, showing date of delivery.

Weekly checking of the fail book with the bookkeeping department is absolutely necessary for an accurate and dependable record.

Mark Up and Mark Down

As many contracts between brokers are kept open for an indefinite period, it is most important to keep such contracts adjusted to the market price in order to prevent any possibility of loss through severe depreciation or appreciation of security values.

This adjustment of prices is called mark-up or mark-down and applies particularly to such items as fail to deliver, fail to receive, stocks loaned, stocks borrowed and when issued contracts.

As an example, Carlisle & Company are failing to receive 100 shares of U. S. Steel from Smith & Co. @ 190. If during the period in which this item is open, U. S. Steel should advance to 210, Carlisle & Co. would issue a mark-up to Smith & Co., demanding a payment of $2000 to adjust the price to 210. The adjustment would appear on the blotter as follows:

RECEIVE

Smith & Co. 100 U. S. Steel @ 190 — 19000 Fail Rec.

DELIVER

Smith & Co. 100 U. S. Steel 210 — 21000 Fail Rec.

The entry on the debit side would cancel the original fail to receive item and the entry on the credit side would establish the new contract at the adjusted price.

In case of an advancing market Carlisle & Co. would mark-up on all fail to receive items, stock loaned, stocks bought on a when issued basis and on any other contract where securities are to be received at lower than the market price.

In case of a declining market Carlisle & Co. would mark-down on all stocks borrowed, stocks sold on a when issued basis and on any other contract when securities are to be delivered at higher than the market price.

When marking stocks loaned or borrowed to the market, settlement is made for interest on the original item unless the contract is made flat, a mark-up from 125 to 135 on stocks loaned would be entered on the blotter.

RECEIVE

Jay & Co. 100 Amer. Can 125—12500 Stock Loaned
Int. on above 162 Int. a/c

DELIVER

Jay & Co. 100 Am. Can 135—13500 Stock Loaned

Jay & Co. would therefore pay Carlisle & Co. $838, which would represent a mark-up of $1000 less interest of $162, the loaner of the stock paying the interest.

The entry on the debit side would cancel the original stock loaned item and the entry on the credit side would establish the new contract at the adjusted price. Interest on the new contract would run from the date of the mark-up.

Money received on a mark-up of a when issued contract is simply credited to the account of the selling broker who adds on the amount when actually making delivery.

Out of Town Deliveries

Deliveries out of town against payment are usually made with draft attached, by putting the draft through the bank for collection. The usual form for this is shown below:

No. 1622 Nov. 1, 1929

On Demand pay to the order of Guaranty Trust Co.

Fifteen Thousand Six Hundred and .....00/100 Dollars

100 shares U. S. Steel attached, Ctf. No. B658994 $15600

To

James Roach & Co.

c/o Coast Nat'l Bank

San Francisco, Cal.

J. P. Jones & Co.

RULES FOR DELIVERY

1. Securities admitted to dealings upon the New York Stock Exchange Registered and Transferable in the Borough of Manhattan, City of New York, in conformity with the requirements of the Constitution, are a delivery:

(a) Certificates of Stock for 100 shares or odd lots aggregating 100 shares, with irrevocable Assignment for each Certificate, and in the name of a member or a member's firm. Certificates for the exact amount or aggregating the amount of an odd lot.

(b) Or with irrevocable Assignment witnessed by a member, or correctness of signature guaranteed by a member or a member's firm.

(c) Or with irrevocable Assignment and each Power of Substitution witnessed by a member or correctness of signature guaranteed by a member or a member's firm.

(d) Coupon Bonds payable to Bearer, in denominations of $500 or $1,000 each, with proper coupons of the bond's number securely attached. Small bonds, under $500, or large bonds over $1,000 only in special transactions, except that in transactions in United States Liberty Loan coupon bonds, denominations of $5,000 and $10,000 when such pieces are exchangeable for $1,000 or $500 denomination, may be delivered.

The money value of a missing coupon may be substituted only with the consent of the Committee on Securities for each delivery.

Coupon Bonds exchangeable into Registered Bonds and Convertible Bonds must carry all unpaid and unmatured Coupons.

(e) Registerable Coupon Bonds in denominations of $500 or $1,000, registered to Bearer, or when transfer books are closed with an Assignment to Bearer for each bond by a member or his firm or witnessed by a member, or the correctness of the signature guaranteed by a member or his firm. Provided, however, that when

coupon bonds may be "registered for voting purposes only" and such registration does not affect the negotiability of the bonds, such bonds may be delivered with such registration thereon.

(f) Registered Bonds in denominations of not less than $500 and not exceeding $10,000 properly assigned.

(g) A security with an Assignment, or Power of Substitution, executed, witnessed, or guaranteed by a non-resident member or firm must be stamped by the resident member or firm first delivering it as follows: Delivered by....."

(Name of resident member or firm)

2. Securities contracted for in amounts exceeding 100 shares of Stock or $1,000 in Bonds, may be tendered in lots of 100 shares of Stock or $1,000 in Bonds, or any multiple of either, and must be accepted and paid for as delivered, except that in the case of Bonds sold "Delayed Delivery," the full lot must be tendered, unless otherwise mutually agreed.

3. Securities with Assignment, or power of Substitution, signed by an Insolvent, are not a delivery. During the close of transfer books, such securities held by others, than the insolvent, are a delivery if accompanied by an affidavit for each certificate or bond, that said securities were held on a date prior to the insolvency.

Securities with Assignment or with Power of Substitution, guaranteed by a member or his firm, suspended for Insolvency, are not a delivery and must be reguaranteed by a solvent member or his firm.

4. Securities with an Assignment or a Power of Substitution executed by a firm that has ceased to exist are not a delivery, except during the closing of the transfer books. The assignment must be proved or acknowledged before a Notary Public. (Form No. 3, and for witness No. 9.)

Securities with either the Assignment or any Power of Substitution witnessed by a deceased person are not a delivery.

5. Securities assigned, or a Power of Substitution by a firm that has dissolved and is succeeded by one of the same name, are a delivery, when the new firm shall have signed the

statement "Execution guaranteed," under a date subsequent to the formation of the new firm.

6. Securities in the name of a corporation or an institution, or in a name with official designation, are a delivery only when the statement **"Proper papers for transfer filed by assignor"** is placed on each assignment and signed by the Transfer Agent.

7. Securities with an Assignment or a Power of Substitution signed by a deceased person, Trustees, Guardians, Infants, Executors, Administrators, Assignees and Receivers in Bankruptcy, Agents or Attorneys are not a delivery.

8. Securities assigned by a **Married Woman** are not a delivery. A joint assignment and acknowledgment by husband and wife before a Notary Public, will make such security a delivery only **while the transfer books are closed.** (Form No. 4.)

9. Securities in the name of an **Unmarried Woman,** with the prefix "Miss," are a delivery without notarial acknowledgment, when signed "Miss."

10. Securities in the name of an **Unmarried Woman** (without the prefix "Miss"), or a **Widow** are a delivery only when the Assignment is acknowledged before a Notary Public. (Form No. 5.)

11. Securities of a Company whose transfer books are closed indefinitely for any reason, legal or otherwise, the Assignment and each Power of Substitution must be acknowledged before a Notary Public. (Forms Nos. 2, 3, for witness, 8 and 9.)

12. Securities in the name of Foreign Residents are not a delivery on the day the transfer books are closed for payment of a Dividend or Registered interest, **and reclamation can only be made on that day.**

13. Securities in the name of Foreign Residents must be accompanied by an acknowledgment before a United States Consul or Morgan, Grenfell & Co., London, when required by transfer agents.

Several companies having transfer offices at Grand Central Terminal, New York, make this requirement.

14. Certificate of stock on which the name of a transferee has been filled in error, may be made a delivery during the

closing of the transfer books by ruling of the Committee on Securities. Necessary form of release, cancellation and reassignment will be furnished on application to the Committee on Securities.

15. An endorsement by a member or his firm of (or the signature as a witness by such a member of a signature to) an Assignment or a Power of Substitution, is a guarantee of its correctness. Each Power of Substitution, as well as the Assignment, must be so guaranteed, or witnessed.

16. The Receiver of Stock may demand delivery by transfer when the transfer books are open, and must give ample time in which to make transfer. The Seller may demand payment for the securities at the time and place of transfer. The Seller may make delivery by transfer when personal liability attaches to ownership.

17. When a claim is made for a dividend on Stock after the transfer books have been closed, the party in whose name the stock stands may require from the claimant presentation of the certificate, a written statement that he was the holder of the Stock at the time of the closing of the books, a guarantee against any future demand for the same and the privilege to record on the certificate evidence of the payment by Cash or Due Bill.

18. **"Coupon Bonds issued to Bearer, having an endorsement upon them not properly pertaining to them as a security, must be sold specifically as 'Endorsed Bonds,' and are not a delivery, except as 'Endorsed Bonds'."**

Extract from Resolutions of Governing Committee, adopted May 23, 1883.

A definite name of a person, firm, corporation, an association, etc., such as "John Smith," "Brown, Jones & Co.," "Consolidated Bank," appearing upon a Coupon Bond, and not placed there for any purpose of the Company by any of its officers, implies ownership and is an "Endorsed Bond" under the above resolution.

19. Any endorsement on a Coupon Bond, stating that it has been deposited with a State for bank circulation or insurance requirement, may be released and release acknowledged before a Notary Public; it will then be a delivery as a "Released Endorsed Bond."

"Rights" to Subscribe

20. Assignments of "Rights," with the signature of the assignor, witnessed and guaranteed in the same manner as other Assignments, as provided in these rules, are a delivery:

(a) An Assignment of the "Rights" accruing on each 100 shares, or, Assignments of "Rights" on odd lots aggregating the "Rights" on 100 shares.

(b) An Assignment for the exact amount, or Assignments aggregating the amount, on a sale of the "Rights" accruing on an odd lot of stock.

21. Assignments of "Rights" in the name of a **Married Woman, Widow** or an **Unmarried Woman** are a delivery without notarial acknowledgment.

22. Assignments of "Rights" made by a deceased person or a firm that has ceased to exist are not a delivery, and must be taken back by the party delivering them.

23. Assignments of "Rights" signed by Trustees, etc., or for corporations, etc., are not a delivery, until passed by the Committee on Securities.

24. "Rights" may be dealt in after a day to be fixed by the Committee on Securities. Warrants for Rights are deliverable upon a subsequent day to be fixed by the Committee, after said day all dealings shall be as in other securities.

25. Due Bills for "Rights" accompanying stock which, by ruling of the Committee on Securities, does **not sell** "Ex Rights" at the closing of the books, must be redeemed on a day fixed by the Committee on Securities.

26. Contracts in Warrants for "Rights" may be enforced "under the rule."

Reference is made to the Constitution for method of settlement of contracts carrying "Rights" other than those covered by 24 and 25 of these Rules, and also for Rights accruing during the pendency of a contract.

Reclamations

27. Reclamation for irregularity in a security, when such irregularity affects only its currency in the market, must be made within ten days from day of delivery of the security. A

security with an irregularity having been delivered may be returned up to 2:15 o'clock p. m. to the party who delivered it, who must immediately give the party presenting it either the security in proper form for delivery, or pay the market price of the security, and assume all liability for non delivery. In the latter case, the security in proper form may be delivered to the claimant before 2:15 p. m., and the amount paid shall be returned.

Signatures to Assignments and Due Bills

28. **The signature to an Assignment or a Power of Substitution must be technically correct, i. e.,** it must correspond in every particular, without any change, with the name in which the security is issued, and the name of the Attorney or Substitute.

The date of an Assignment or a Power of Substitution must be legible, and any correction properly noted by the signer.

(a) **Titles** must be prefixed or affixed to signatures, exactly as they are in the name in which the security is issued.

(b) "Brothers" or "Bros." must be written as it appears in the security.

(c) "And" or "&," "Company or "Co." may be written either way.

(d) **"Mr.," "Messrs.," "Esq.,"** or the **Residence** or **Business Address** of an individual or firm need not be made part of the signature.

(e) Due Bills must be signed or guaranteed by a member or a firm registered and doing business in the Borough of Manhattan.

(f) Due Bills must be redeemed on the date fixed by the Committee on Securities by the member or firm signing or guaranteeing them.

The Committee recommends:

That Transfer Agents be given the exact form of the name to which securities are to be transferred.

That the signatures of all members and the firm signatures of each of the partners in a member's firm be filed with transfer offices in order to secure promptness of transfer of securities.

Assignments and Notarial Acknowledgments

29. A detached Assignment of a security must contain provision for the appointment irrevocable of an attorney, and substitute and a full description of the security, i. e., name of Company, Issue, Certificate or Bond Number and amount (the latter written in words and numerals), and **must** be acknowledged before a Notary Public with seal and date. This description must be in the same handwriting as the other facts stated. A separate Assignment must accompany each certificate or bond. (See Form No. 10 for Detached Assignment and Forms No. 11 and No. 12 for Acknowledgments.)

30. In the acknowledgment of an Assignment or Power of Substitution in the name of an individual, the Notary Public must certify with seal and date that he knows the person signing to be the person named in the security, or in the Power of Substitution and that the signer acknowledged his signature. (Form No. 2.)

31. An Assignment or Power of Substitution in the name of a firm, the Notary Public must certify that he knows the person and knows him to be, or to have been on the date of execution a member of the firm, and that he acknowledged that he executed the Assignment or Power of Substitution as the act and deed of the firm. (Form No. 3.)

32. In proving, before a Notary Public, an Assignment or Power of Substitution, the witness must make deposition that he knows the person who executed the Assignment or Power of Substitution, to be the person named in the Security or Assignment, and saw the signer execute the same. For Assignments of Securities in the name of a firm, the witness must make deposition that he knows the party signing to be (or to have been at the date of execution) a member of the firm. (Forms 8 and 9.)

33. Any alteration in the wording of an Assignment must be stated over the signature of the party signing.

34. Any alteration in a Notarial Acknowledgment must be noted by signature of the Notary.

Interest Paying Bonds

RULES FOR DEALING "AND INTEREST"

35. In settlement of Contracts in INTEREST PAYING BONDS interest at the rate specified in the bond shall be computed up to but not including the day of maturity of contract in all cases except "time option" contracts and "regular way delayed delivery" contracts.

36. On a contract in interest paying bonds "SELLER'S OR BUYER'S OPTION" at a rate agreed upon (as Seller or Buyer 20, 2%), the interest specified in the bond shall be computed to and including the day of sale; and thereafter interest at the agreed rate shall be computed on the Contract price plus accrued interest. An agreed rate of interest must be computed for actual elapsed days.

On a contract in interest paying bonds "REGULAR WAY DELAYED DELIVERY," interest at the rate specified in the bond shall be computed up to but not including the next "delivery day" following the date of the transaction and shall be "flat" thereafter unless otherwise agreed.

37. Bonds selling "and interest" shall so continue until, in the event of a default, the Committee on Securities rules otherwise.

38. Bonds upon which the interest is in default shall carry all unpaid coupons.

39. REGISTERED BONDS will not sell Ex interest on the day the books close for payment of interest. In settlement of Contracts in Interest Paying Registered Bonds, interest must be added to the date of maturity of Contract, and a Due Bill, signed by the party in whose name the bond stands or by a member of the Exchange or his firm for the full amount of the interest to be paid by the Company, must accompany the bond until interest is paid. A Due Bill issued by a non-member must be paid when due by the Exchange member or firm guaranteeing it.

40. Interest at the rate specified in an Interest Paying Bond must be computed on a basis of a 360-day year, i.e.:

Every calendar month is 1/12 of 360 days=30 days.
Every period from a date in one month to the same date in the following month is 30 days.

41. Income Bonds, unless otherwise directed by the Committee on Securities, must be dealt in "flat."

42. Bonds dealt in "And Interest" delivered on dates on which interest is due and payable, shall be without the coupon due on such date.

43. In all transactions involving the payment of interest, where the amount of such interest equals or exceeds five mills, it shall be considered as one cent, fractions of a cent less than five mills to be dropped; this rule to apply to loaned and borrowed securities, interest on bonds, transfers of accounts and all other transactions.

Form of Assignment

Form No. 1.

Form of Assignment on a Certificate of Stock accepted by the Committee on Stock List:

FOR VALUE RECEIVED.....hereby sell, assign, and transfer unto .....
..... Shares of the Capital Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint..... Attorney to transfer the said stock on the Books of the within named Company with full power of substitution in the premises.

Dated.....19....

.....

In the Presence of

.....

Form of Power of Substitution

Form No. 1 (a).

Power of Substitution to be placed on the **back** of a Certificate when name of Attorney has been filled in with the name of an individual or a firm.

"I (**or** we) hereby irrevocably constitute and appoint.....
.....my (**or** our) substitute to transfer the within named Stock under the foregoing power of Attorney, with like power of Substitution."

Dated.....19....

.....

In the Presence of

.....

Forms for Notarial Acknowledgments and Depositions Prescribed by the Committee On Securities

Form No. 2.

Acknowledgment by an Individual, by whom an Assignment or a Power of Substitution is Executed.

State of ..... } ss.
County of ..... }

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known, and known to me to be the individual named in the within Certificate, and described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

.....

[SEAL]

.....

If used for a Power Substitution, substitute for the word Instrument, "Power of Substitution, dated.....19...," the date referred to filled in.

Form No. 3.

Acknowledgment for Firm.

State of ..... } ss.
County of ..... }

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known, and known to me to be one of the firm of.....named in the within certificate, and described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said firm.

.....

[SEAL]

.....

If used for a firm that has dissolved, omit the word "be" in third line and substitute the words "have been on.....
.....19...."

If used for a Power of Substitution, executed by a firm that has dissolved, substitute for the word Instrument, "Power of Substitution, dated.....19..." the dates referred to filled in.

Form No. 4.

Joint Acknowledgment of Execution of an Assignment made by Husband and Wife.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, came.....and.....her husband, both of them known to me, and they severally acknowledged that they executed the foregoing (or within) Assignment and Power of Attorney, for the purpose therein mentioned.

[SEAL]

.....

Form No. 5.

Acknowledgment of an Assignment Executed by an Unmarried Woman or a Widow.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, personally came.....to me known and known to me (or satisfactorily proven to me) to be an unmarried woman (or widow) and known to me to be the same person named in the within certificate of stock and described in and who executed the foregoing (or within) Assignment and Power of Attorney, and acknowledged to me that she executed the same for the purpose named.

.....

[SEAL]

.....

Form No. 6.

Notarial Acknowledgment for Assignment or a Power of Substitution Executed by a Member Suspended for Insolvency.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known and known to me to be the individual named in the within certificate, and described in and who executed the foregoing Instrument, and acknowledged to me that he executed the same on..... .....19....

.....

[SEAL]

.....

If used for a Power of Substitution, substitute the words "Power of Substitution dated.....19..." for the word "Instrument."

Form No. 7.

Notarial Acknowledgment for Assignment or a Power of Substitution Executed by a Firm Suspended for Insolvency.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known and known to me to be one of the firm of.....named in the within Certificate, and described in and who executed the foregoing Instrument, and acknowledged to me that he executed the same on.....19... as the act and deed of said firm.

.....

[SEAL]

.....

If used for a firm that has dissolved, substitute the words "have been" for the word "be" in fourth line.

For a Power of Substitution, substitute the words "Power of Substitution dated.....19...," for the word "Instrument."

Form No. 8.

Deposition by a Witness of the Execution of an Assignment or a Power of Substitution by an Individual.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known, who being by me first duly sworn did depose and say that he resides at..... .....that he knew..... named and described in the.....instrument, which was signed in witness' presence.

.....

[SEAL]

.....

If used for a Power of Substitution, executed by an individual, see instructions in Form No. 2.

Form No. 9.

Deposition by a Witness of the Execution of an Assignment or a Power of Substitution by a Firm.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known, who, being by me first duly sworn, did depose and say that he resides at..... .....that he knew.....and knew him to be one of the firm of.....named and described in the.....instrument, which was signed in witness' presence.

.....

[SEAL]

.....

If used for a firm that has dissolved, or for a Power of Substitution executed by a firm that has dissolved, see instructions in Form No. 3.

Detached Assignment and Power of Attorney for Stocks or Bonds

Form No. 10.

For value received.....
have bargained, sold, assigned, and transferred, and by these presents do bargain, sell, assign and transfer unto.....
.....Shares of the.....**Capital Stock** (or one (1) Bond) of the.....standing in.....
.....name on the books of said.....
represented by Certificate (or bond for.....$.....)
No.....herewith, and.....do hereby constitute and appoint.....true and lawful attorney, irrevocable for.....and in.....name and stead, but to.....
use, to sell, assign, transfer and set over, all or any part of the said stock, and for that purpose to make and execute all necessary acts of assignment and transfer, and one or more persons to substitute with like full power, hereby ratifying and confirming all that.....
.....said Attorney or.....
substitute or substitutes shall lawfully do by virtue hereof..

Dated.....19...

.....

In Presence of

.....

Form No. 11.

Acknowledgment on a Detached Assignment Made by an Individual.

State of ..... } ss.
County of ..... }

On this.....day of.....19... before me, a Notary Public for the County of.....personally came.....to me known to be the individual named in the annexed Certificate of Stock (or Bond) and described in and who executed the foregoing Instrument, and acknowledged to me that he executed the same.

.....

[SEAL]

.....

Form No. 12.

Acknowledgment on a Detached Assignment Executed by a Firm.

State of .....
County of ..... } ss.

On this.....day of.....19... before me, a Notary Public for the County of.....personally appeared.....to me known and known to me to be one of the firm of..... named in the **annexed** Certificate of Stock (or Bond) and described in and who executed the foregoing Instrument, and acknowledged that he executed the same as the act and deed of said firm.

.....

[SEAL]

.....

If used for a firm that has dissolved, see instructions in Form No. 3.

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The above rules for delivery have been established by the New York Stock Exchange. Special rules are at times made covering situations that are the results of unusual conditions.

CHAPTER IX

Transfer Department

TRANSFER DEPARTMENT

The transfer department is the connecting link between the brokerage office and the corporation issuing the securities. Its principal functions are, to have stocks registered in the names of the new owners, to exchange one kind of security for another where there is a stock split, merger, reorganization or consolidation, to turn securities back to the issuing corporation and receive the money for them when there is a redemption, and to subscribe to new stock for customers who hold rights and wish to exercise them.

Instructions to Transfer and Disposition of Stock

The ordinary case of transfer is the one where a customer buys stock outright, i. e. pays for it in full, and requests that the stock be transferred to his name and delivered to him. The procedure for such a transaction is, as follows. First the Margin Department makes out instructions to transfer the stock to the customer's name. The instructions state the kind of security, the number of shares, the name and address of the customer, and whether to ship (deliver) or to hold (put in safekeeping). These instructions are given to the Cage. The Cage procures stock which corresponds with the kind and amount specified in the instructions from the Margin Department. The instructions and the stock are then passed on to the Transfer Department.

Recording the Transfer (Outgoing)

The Transfer Department first makes a permanent record of the transaction in the Transfer Book, consisting of an entry which records the number of shares, the description of the security, the certificate numbers, to whom transferred, and the date the certificates are sent to the Transfer Agent. Each certificate has a place or form for filling in an assignment. The certificates are next given to the typists who fill in the name and address of the customer to whom the stock is to be transferred. The typist then returns the stock to the Transfer Department.

Transfer Taxes

On all transfers of stock there is a Federal Tax, and in many states, including New York, there is a state tax as well. The Federal tax is 2c on every $100 par value of each share. If it is a security of no par value it is 2c a share. The New York state tax is exactly the same as the Federal tax. Stock transfer stamps for the right amount of the tax are affixed and the certificates are sent to the Transfer Agent of the issuing corporation who gives the Transfer Department of the firm a receipt for them.

A law has been passed in New York State whereby the transfer tax is eliminated if the individual or firm making the transfer will certify that there is no change in ownership involved. This is accomplished by the use of a rubber stamp in general use in all brokerage offices.

The same law has been in effect for several years in respect to Federal Transfer Tax.

Every corporation, whose securities are dealt with on the New York Stock Exchange, must have a transfer office in New York City. This may be an office of its own, or as is generally the case with the smaller corporations, the office of some agent such as a bank.

Recording the Transfer (Incoming)

Twenty-four to forty-eight hours after the certificates are sent to the transfer agent, new ones are issued in the customer's name, and returned to the transfer department of the broker. When these are received an entry is made on the Transfer Book, recording the date returned and the new certificate numbers.

Stocks placed in transfer before 12 o'clock noon are ready after 1:30 P. M. on the following day. Stocks reaching the transfer agent after 12 Noon and up to 2:15 P. M. are not ready until after 1:30 P. M. on the second following day.

Regular time limit on stocks going to transfer is 2:15 P. M. excepting on ex-dividend dates on which day the time is extended to 3 P. M.

The certificates are then passed on to the shipping department, which mails the certificates to the customer. Certificates are sent by registered mail and the customer must sign a

receipt, which is returned to the transfer department. The transfer clerks then file these registered mail receipts for permanent record.

Frequently a customer does not wish to have the stock he has purchased outright transferred to his name or delivered to him. In that case, the securities are transferred, as above, to the firm's name instead of the customer's. When the stock is returned the firm signs it, and the securities are put in safe-keeping for the customer's account, and are held subject to his instructions.

Transfers to Obtain Dividend

When a corporation pays a dividend on its stock, it only pays it to those in whose name the stocks are registered in the corporation's books on the date the books close. Therefore when an announcement is made that the books close for dividend purposes on a certain day, all stock that the broker holds, which is not in the broker's or the customers' names is transferred to the broker's name. The Dividend Department takes note of which stocks are selling "ex-dividend" (books close) and sends all such stocks to the Transfer Department to be transferred. This is done in order that the broker will receive the checks for the dividends when payable, and may credit his customers who are entitled to the dividends.

Mark (X) in Lieu of Signature

Certain special problems arise in transferring the stock from one name to another when they are not in the name of an ordinary individual.

One of these problems is where one of the broker's customers who cannot sign his own name, sells stock registered in his name. The stock, in order to be accepted by the broker to whom it was sold; i.e. to make "good delivery", must be transferred to the name of the broker selling the stock. The customer must make a cross where he is to sign, and his mark must be acknowledged and attested to by two witnesses, who must give their names and addresses in full.

Stock in Name of Corporation

A second problem arises where the stock is received by the transfer department in the name of a corporation. To avoid

confusion, it is necessary here to distinguish the corporation previously owning the certificates, and the corporation which issued the certificates. For convenience, we will call the former, the owning corporation, and the latter, the issuing corporation. Stock in the name of the owning corporation is not a good delivery, and will not be accepted by another broker unless it is transferred to the firm's name. The Transfer Agent of the issuing corporation will not make the transfer unless a resolution is given to him. This resolution must be made out by the Secretary of the owning corporation, giving some other officer of the owning corporation, either the president, the vice-president or the treasurer, the right and power to sell, assign or transfer the number of shares the officer sold. The resolution must have the owning company's corporate seal and must be acknowledged before a notary public.

Stock in Name of Partnership

A third problem arises when stock is sold, which is in the name of a partnership. Before it can be delivered it must be transferred to the name of the firm. The transfer agent requires the signature of all the partners and an affidavit, acknowledged before a notary public, stating that those signing are the partners. The rule does not apply if the partnership in whose name the stock is registered, is a Stock Exchange Brokerage House.

Stock in Name of Estate or Deceased Person

A fourth problem arises when stock is to be transferred which is in the name of an estate, either as a legacy from some one deceased leaving a will or from some one deceased, leaving no will.

If the deceased died testate, (leaving a will) it is necessary to have a copy of the will, certified by the courts, a Probate Court Certificate showing the appointment of the executor of the estate, who signed the stock certificate for sale, and a New York waiver. In certain cases it is necessary to have an affidavit, signed by some other person than the executor, stating that all debts, legacies and claims have been paid or are provided for. This affidavit is required if the certificates are being transferred to the executor's name and are not being sold on behalf of the estate.

In order to transfer the stock if the deceased died intestate, (leaving no will), a Probate Court Certificate showing the appointment of the administrator, and a New York waiver are needed. An affidavit also is required in these cases as it is when the deceased dies testate.

Exchanges of Stocks

Where one corporation consolidates with another corporation, as for example, when Royal Baking Powder and Fleischman consolidated to form the Standard Brands Co. Inc., or when one merges with another, as when the Standard Oil Co. of Indiana merged into the Pan American Petroleum Co., (the new stock being called the Pan American Petroleum Co. Inc.,) or when a corporation is reorganized, new stock is generally exchanged for the old. In such a case, the customer holding the old stock, instructs the transfer department to exchange the old for the new for his account. The transfer department then makes a "switch", delivering the old stock to the transfer agent out of the customer's account and receiving the new stock in for the customer's account.

Stock Dividends

Sometimes the surplus of a corporation is out of proportion to its capital stock. Very often, in such a case, the board of directors decides to declare a stock dividend. This is known in Wall Street as a "stock split." For every old share of stock a certain amount of new stock is exchanged. For example, United Gas & Improvement old is exchanged at the rate of five new shares of common stock and ⅛ share of preferred stock for each share of old stock, or again, Packard Motors is exchanged at the rate of five new shares of common for one old share of common. When this happens the transfer department delivers out the old stock to the transfer agent and receives the new stock proportionately for the customer's accounts.

Redemption of Bonds and Preferred Stocks

In many cases when corporations issue bonds or shares of preferred stock, they stipulate that the corporation reserves the right to redeem, or call these stocks or bonds in at certain times and at certain prices. When these stocks or bonds are

called for redemption, a list of those that are called is sent to the transfer department of the brokerage office. If any of the firm's customer's accounts have any of the bonds or preferred stocks called, the transfer department sends them to the trustee of the corporation, and receives a check from the corporation in payment of them at whatever price the bonds or stocks are called. The bonds are then delivered "off" those accounts in the ledger, and the accounts are credited with the proceeds.

Obtaining and Exercising Rights

Sometimes a corporation decides to increase its capital stock by issuing rights to subscribe to new shares of the same stock, instead of declaring a stock split. These rights are issued to all stockholders of record the day the books close, i.e., the day the stocks sell ex-rights. Rights are usually good for a month or two and sometimes for longer periods but if they are not exercised within the time specified, and the new stock subscribed to, they expire. For example, a corporation might issue rights providing for a 20 per cent increase in their stock, and allow old stockholders to subscribe for one new share for every five shares held, to every stockholder of record on September 27. The current market price of the stock might be $40, but the rights give the stockholders the privilege of subscribing for the stock at $30.00 per share, with the stipulation that the rights to subscribe for the stock expire October 27. In this case the proportionate value of the right attaching to each share would be $2.00, and to take advantage of this offer the stockholder must subscribe for the new stock before the 27th of October. The transfer or dividend department furnishes the customer with the full particulars concerning the rights, and asks the customer to advise the transfer or dividend department if he wants the rights exercised. The customer, if he wishes to exercise the rights, instructs the transfer or dividend department to subscribe to the stock. Before the expiring date of the rights the transfer department delivers the rights to the corporation for the customer's account and receives a receipt for the new stock. The customer's account is debited with the cost of the subscription. In about a week the new stock is ready, and the transfer department of the brokerage house delivers the receipt to the transfer agent and receives the new stock which is then credited to the customer's account.

Special Accounts

There are two special accounts in the transfer department. These are, the Broker's Transfer Account, and the Transfer Suspense Account.

The Broker's Transfer Account is used when another broker owes the firm a certain number of shares and does not have a certificate for the correct number of shares to deliver. For instance, Goodman & Co. are to deliver 20 shares of stock to Whitney & Company. Goodman & Co. do not happen to have a certificate for 20 shares but have one for 30 shares. Goodman & Co. delivers the 30 share certificate to Whitney & Co. who, as it happens, do not have ten shares in the box to deliver back. In such a case the Blotter clerk receives 20 shares on the blotter and swings 10 shares to Broker's Transfer Account. The 30 shares are passed on to the transfer department together with instructions that 20 shares be transferred to the name of Whitney & Co. and 10 shares to the name of Goodman & Co. who "over-delivered". When the transfer department receives this stock back from transfer they make an entry on the deliver blotter, delivering the number of shares over delivered to the broker who over-delivered them. The shares are then sent to this broker with a receipt attached, which he must sign and return. This receipt is filed and kept as a permanent record so as to eliminate any doubt as to whether the shares were received by the broker to whom they were sent.

The Transfer Suspense Account is used when a firm will receive stock from another firm (in the name of the firm receiving the stock) in error. This is received and entered in the Transfer Suspense Account. The next day the transfer department informs the broker who sent the stock of his error, and requests him to send a letter claiming the stock sent by mistake. This letter is desired as a permanent record for the transfer department's files. Upon receipt of the letter the shares are transferred and delivered to the broker who made the error.

Transfer Record Sheet

The record sheet kept in the transfer department is shown on the following page.

TRANSFER SHEET

Date	Shares	Description Securities	Certificate Number	Transferred To	Date Received	Certificate Number Received	Customer's Account
9/18	100	U. S. Steel	126285	John Adams	9/19	129367	John Adams
9/22	50	Anaconda	67237	Harry Welsh	9/24	70672	O'Brian, Potter & Stafford

In a large brokerage house the transfer department will have a sheet for each security. In a small house where there are not so many transfers each day they will enter all securities on the one sheet.

CHAPTER X

Unlisted Trading Department

UNLISTED TRADING

Trading in unlisted or over-the-counter securities constitutes a large and very important part of the regular activities of Wall Street.

Thousands of Corporations engaged in business throughout the different sections of the United States find a market for their securities through the many investment firms which make markets in these unlisted bonds and stocks. The field is large and no one organization can cover the entire ground. We therefore find one firm specializing in public utilities, another in bank stocks, another in investment trusts, etc., although a number of the larger firms maintain different departments to cover several classes of securities.

Trading in unlisted securities is not confined to organizations who are not members of an Exchange. Many large New York Stock Exchange houses have their unlisted trading departments where a large and profitable business is transacted. Nor is the trading limited to Corporation issues, as the majority of government, state and municipal bonds are handled over-the-counter. An idea of the magnitude and variety of this trading may be gained from the quotations published in a New York evening paper. This paper is not classed as a financial organ in any sense of the word, nor does it make a specialty of quoting unlisted securities. However this paper in one day quoted bid and asked prices on, 75 public utility bonds, 118 investment trusts, 17 mortgage companies, 29 New York City bonds, 13, New York state bonds, 28 telephone and telegraph stocks, 166 industrial stocks, 189 bank stocks, 42 trust company stocks, 47—$100 bonds, and 40 aeronautical stocks. These issues may be classed as more or less local to New York and as being fairly active. They represent only a small fraction of the unlisted securities traded in throughout the country.

Because a security is not listed, is no reflection on its merit or intrinsic value. Suffice to say that good securities and very speculative securities are found alike in listed markets and unlisted markets. However investors will buy unlisted securities and the unlisted traders perform a very important eco-

nomic function in establishing and maintaining markets for these securities. It is very difficult indeed to float a new issue where there is no prospect of a market being established but of course this has been done in numerous cases, particularly where the issues are small, and the company is more or less of a closed Corporation. However an investor is sure to look for marketability in purchasing any kind of security.

It is worth mentioning that the old Standard Oil Co. of New Jersey was quoted in the unlisted market prior to its dissolution by the decree of the U. S. Supreme Court. After the dissolution the stocks of the 33 subsidiary companies were traded in very actively, principally in the over-the-counter market. Gradually most of these stocks were listed on the New York Curb and a few were later transferred to the New York Stock Exchange notably Standard Oil Co. of New Jersey, Standard Oil of California and Standard Oil Co. of New York. During the period of the over-the-counter trading the transactions were enormous in volume and the fluctuations in price extremely wide which showed the ability of the unlisted traders to cope with many difficult situations.

The unlisted trader, of course, must have a basis for quoting markets. The method of obtaining original orders and current quotations can be best shown by the following example: Mr. Crane, the unlisted trader for a large firm decides to specialize in the stock of the Fifth National Bank (fictitious). He will first obtain a list of the stockholders of the bank and continually circularize them, giving the latest quotation and advising them that his firm is trading in the stock and would appreciate receiving their orders to buy or sell. He must also keep the stockholders advised of any interesting news concerning the bank and give their inquiries prompt attention. Continually activity of this sort is bound to bring results, assuming of course that the firm has a good reputation and is favorably known in the over-the-counter markets. Let us say that the last sale of the stock was 148 and Mr. Crane received orders to buy 50 shares at 147 and to sell 100 shares at 149. Thus an actual market is created of 147 bid 149 asked. However Crane must make a fair profit and would accordingly quote the market about 146½ bid 149½ asked, provided no other better bids or offers were in the market. If a competitor were quoting the market 147½ bid 148½ asked, nothing could be done at the moment on these orders and Mr. Crane would

so advise his customers. Furthermore the business being very competitive it would be necessary for Crane to make his quotation 147½ bid 148½ asked, and if he purchased some stock on this market at 147½, he must decide whether he will hold it or sell it to his competitor at no profit. It is very likely however that he could sell it at a small profit say ⅛ or ¼ point to a party quoting 147½ bid. If a stock is quoted wider, that is, with a greater difference between the bid and asked price, such as 140 bid 160 asked there is considerably more opportunity to trade at a large profit.

We will however assume that Crane's market is the best, that is, 146½ bid 149½ asked. If he bought stock at 146½ he would sell it to his client at 147 and if he sold stock at 149½ he would buy it from his client at 149, thus making a profit of ½ point.

There are many intricacies in trading in unlisted stocks which of course could not be covered here, but the above illustration will show the basis for establishing quotations, and the manner in which markets are made.

A few of the requisites of the successful trader are:

1. Experience.

2. A telephone acquaintance with other traders so that they may be addressed in a somewhat informal manner. Many men have been trading with each other for long periods and have reached the stage of easy familiarity without ever having had personal contact, and with their business relations on this basis a spirit of co-operation and helpfulness is maintained.

3. The ability to judge and correctly interpret the market position of the stocks in which he is trading and to quote his market accordingly.

4. To fully understand the technique of trading and to be able to distinguish firm markets from nominal quotations.

5. To be able to make firm markets. This is dependant upon his receiving actual orders as previously explained.

6. To be capable and shrewd, but not tricky. The tricky trader may make a few profitable trades but in the long run he will find it difficult to receive the co-operation of his fellow traders and will eventually fall into a trap of his own making.

7. Absolute honesty to stand by any transaction he has made. This business is conducted entirely by word of mouth and there is no actual proof of a purchase or sale. Each transaction however is properly confirmed by comparison between each party to the trade but the comparison is not made until the close of business of the day on which the trade was made or the following morning.

8. The ability to make money without taking a position, which in effect is successful trading. It is however necessary at times for a trader to be long or short but this should be the exception rather than the rule. Top heavy positions have caused many losses and have often resulted in the failure of trading firms.

The unlisted trader must be continually on the alert so that he will not misquote stocks and buy or sell at prices which would show a loss. As there are no public quotations the trader must check his market several times during the day, this being done by calling up other traders in order that he may keep in close touch with what is going on. For instance a trader may be quoting a stock 180 bid 185 asked, without having an actual order and basing the quotation on that of a competitor. Supposing that in the meantime a large block of the stock came in the market and sales were made at 180-178 and 175, the latest quotation being 170 bid 175 asked. Not knowing of this latest development the trader buys stock at 180 but in attempting to sell it finds to his sorrow that 170 is the best bid. Therefore continual checking is most important.

In addition to circularizing stockholders the unlisted trader must advertise freely in the financial newspapers, and must continually keep his name before the entire trading fraternity so that he become firmly established as a specialist in his particular line of securities. This results in his receiving orders from other firms and keeps him in close touch with every market development.

Terms

Firm Market—A bid and an offer at which prices a stock may be actually bought or sold. If a trader quotes a stock 88 bid 90 asked and states that it is a firm market he is bound to buy at 88 or sell at 90, if the other party will trade im-

mediately at these figures. However should the other party make a counter offer, the trader making the market is allowed to withdraw his original market of 88 bid 90 asked, and can quote a new market according to his judgment.

Nominal Market—A bid and offer which is considered merely as a quotation and not as the basis for actual trading. A trader asked to quote a market will say "about 88 bid and 90 asked" or "88 bid 90 asked, nominal" if he does not wish to trade at these figures.

Counter Bid or Offer—Improving a trader's bid or offer in trying to bring about a trade. For instance, a trader quotes a firm market 88 bid 90 asked and his customer says, "I will pay 89 for 50 shares." This is a counter bid and allows the trader to withdraw his original market if he so desires. However, the trader might be able to sell at 89 and if so, would probably close the trade at this price.

CHAPTER XI

Statistical Department

THE STATISTICAL DEPARTMENT

The statistical department of a brokerage or investment house renders a number of different services. It furnishes information and advice to the customers or prospective customers of the firm and handles by correspondence inquiries of all kinds for investment information. It also serves the other departments of the house by keeping them posted on developments affecting the securities in which they are interested, and on conditions and developments in individual industries and in business generally. The statistical department does more than the name implies however, for in addition to its work of an investment advisory character it also functions as a new business department. In this work it engages in the preparation of market letters, circulars and prospectuses, which are sent to clients and a selected list of others to whom it believes the information will be of interest.

In addition to this some banking houses do special investigation, appraisal and research work, and while much of the work of this character is usually done by outside firms of engineers and accountants who are engaged especially for this purpose, some of it may be done by members of their own statistical department where they are qualified along these lines.

In connection with its investment advisory activities the statistical department also maintains the files and records of investment data used by the firm in this work. Some of the data used in this connection is obtained through its own sources of information but most of it is obtained primarily through the services rendered by the various statistical and investment information organizations which specialize in gathering, summarizing, analyzing and interpreting the great mass of data which it is necessary to assemble in order that adequate information may be available concerning the investment status of the securities in which the public is likely to be interested. Through the services of these outside statistical organizations the well equipped statistical department today is usually in a position to supply accurate and up-to-date information on all classes of securities, including bonds, preferred and common stocks of all kinds, covering both American and foreign se-

curities, and embracing Government, State, County, Municipal, industrial, public utility, financial, mining securities, etc.

This information includes current and comparative data for a number of years on earnings and earnings records, capitalization, financial position, dividend record, comparative balance sheets and income statements extending back over a period of from two to ten years, production and operating statistics, territory and markets served, officers and directors of the company and much other information of value to the investor in appraising the value of a security. In addition, the statistical department is in a position to furnish information on the general business outlook and the position of individual industries; which industries are the most or least prosperous; which are improving and which are receding.

Accordingly, investors and traders who are desirous of taking advantage of the fund of information and data which the well organized investment house usually has available on investments and the subjects related thereto, should take the trouble to inform themselves as to the work of such departments and how this information may be used by them to the best advantage in connection with their investment plans and speculative activities.

The extent and quality of the information and of the services rendered by the statistical department varies, according to the size of the house, the character of the business handled, and also according to the ability of the staff of this department and of the statistician in charge, in analyzing and interpreting the statistical information which is continuously flowing into such departments on securities of all kinds and on the developments affecting them. The facilities of the statistical department for obtaining up-to-the-minute and accurate information plays an important part in the quality of the service rendered.

In recent years, through the growing use and more frequent and regular publication of statistical data relating to finance, trade, industry and the affairs of individual corporations, a constantly increasing fund of knowledge on all matters pertaining to securities and investment problems has become available to the statistical departments of brokerage and investment houses. Moreover, through the services of such organizations as the Standard Statistics Company, Moody's Investors Service, Poor's, the Brookmire Economic Service, Bab-

son's Statistical Organization, and the other investment and statistical organizations engaged in this work, a vast amount of information concerning practically all the securities of the United States and a large number of those of foreign countries, is summarized and presented in such form that the investor of today is in a much better position to place his investment and speculative activities on a more safe and profitable basis than heretofore.

Most well equipped investment houses use the services of the Standard Statistics Company, Moody's or Poor's, and a large number are equipped with all three. The Standard Statistics Company provides as many as thirty different services which cover practically every field of investment and business information as it relates to the problems of the individual investor and speculator, to the work of the banking or brokerage house and to the problems with which these houses are confronted in the handling of their businesses from the standpoint of their own needs, as well as those which they attempt to meet in serving the needs of their customers.

Some houses specialize in certain types of securities, and in the securities of certain industries, and where this is the case, the statistical departments of such houses usually have information which is likely to be more comprehensive and up-to-date, than is ordinarily readily available to the investor, as well as contacts which place them in more intimate touch with the conditions in these industries and with the affairs of the corporations in whose securities they specialize. This information is usually made available to the clients and prospective clients of the house and accordingly enables them to obtain much detailed information concerning the affairs of these particular corporations and the conditions and outlook of the industry in which they are engaged.

To give some idea of the ground covered in the records maintained by the statistical department we will discuss briefly in the following pages the character of the information available from all sources on the different classes of securities, and on the corporations and the industries of which these corporations form a part. In this connection we will also enumerate and briefly outline the different classes of investment and business information as made available through the services furnished by the statistical organizations which specialize in furnishing this information.

BOND INFORMATION AND SERVICE

The information available on bonds usually contains all the essential facts concerning which the investor is likely to be interested or on which he should be informed. In Standard's Bond Investment Service, bonds are grouped according to:—

1—Industry and Rating.
2—Coupon, Rating and Maturity.
3—Yield.

This service is designed to aid in the selection of bonds and through it any active corporation or foreign government bond may be compared with all other similar bonds on the market. It covers every corporation and foreign government bond with an active market in this country—about 3,500 in all, and gives the following essential facts on each bond's investment position: (1) The amount outstanding, (2) amount of all prior liens, (3) ratio of tangible net assets, (4) ratio of current net assets, (5) interest charges times earned during current year, (6) interest charges times earned over period of years, (7) rating of the bond, (8) bid and asked price, (9) yield to maturity, (10) interest dates, (11) exact maturity date, (12) original offering price, (13) year originally offered, (14) industrial group in which bond appears in the Industries Section (Item No. 1 above), (15) Callable prices, (16) whether legal in New York, Massachusetts, or Connecticut.

Weekly bulletins keep this information up-to-date, and call attention to sudden bond price changes. The service also includes monthly lists of bonds which apparently are selling too high; short term securities, bonds selling close to or above callable prices; attractive investment bonds; convertible bonds.

In brief this service is designed to give quickly: (1) The vital facts every investor should have about a bond he is considering, (2) The names of bonds that offer higher yield for similar safety—if there are any, (3) The names of bonds that offer greater safety for similar yield—if there are any.

In the bond service designated Standard Bond Descriptions are described more than 3,500 of the more important railroad,

public utility, industrial and foreign government bond issues, and about 3,000 additional bonds in which the public interest is not so great. This information is kept up-to-date by constant revision and is supplemented by bond bulletins which are issued weekly, and which are designed to give the latest bond news, descriptions of the most recent bond issues, and to show everything that has happened to affect the value of a bond since the last full description of the bond was published.

In **Standard's Sinking Fund Sheets** is available a complete record of bonds called for payment, not only for sinking fund purposes, but, also for redemption in their entirety. Information of this kind is of value to the bond sales' and cashiers' departments, as it gives a semi-weekly cumulative record of bonds called for redemption and of sinking fund proposals. Prospective sinking fund operations are tabulated here, and the approximate amount of bonds to be called for redemption or purchased for sinking fund account is indicated from 1 to 3 months in advance. Recent defaults, income bond interest payments, and temporary certificates exchangeable for permanent bonds are also on record here.

Under **Standard's Bond Offerings Service** is indicated the offers and wants of over 2,500 representative bond houses. It also shows interest dates, on which exchange a bond is listed, name of trustee, character of sinking fund clause, names and addresses of firm making original offering, price at which it originally sold, price range, whether interest has been defaulted, whether issue has been called, etc.

In Standard's service on the **Status of Bonds** is available information on the status of over 15,000 bonds under the Federal Income Tax. This answers the following questions on each bond: Is the tax paid at source? Will an additional tax be refunded direct to bond holder? If tax is not paid at source, will it be refunded direct to bondholders, and if so, how much will be refunded? What state taxes, if any, are refunded? Is the bond issued by an individual or partnership? In other words the answer to practically every tax question that is likely to arise relating to bond interest payments is available here. This information is quite helpful to the cashier's department of a bond house, and to the teller of a bank.

RATING OF SECURITIES

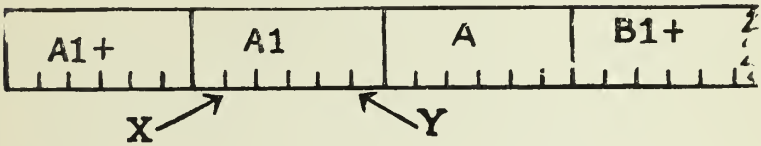
In the attempt to appraise the value of securities on a scientific basis systems of rating stocks and bonds have been developed by a number of the investment statistical organizations. These ratings represent investment yard sticks and are of great practical value to the investor who is not in a position to analyze and determine the value of securities for himself.

The fundamental thought back of such systems of rating securities is to furnish a key to the relative security and stability, from an investment standpoint, of all types of bonds and stocks. In these systems the ratings of all bond issues, of every class, are based on formulae developed as a result of years of exhaustive research and study. The primary factors used in the development of such formulae, in the case of bonds, are asset value or mortgage position, earning power, stability, and marketability.

It does not follow, of course, that these ratings are infallible, or that ratings may not change from time to time. Changing conditions will cause changes in the quality of securities, and a bond which under present conditions may be entitled to only a B rating may conceivably become an A bond next year or thereafter, while conversely, a bond with a present rating of A may so depreciate in value as to warrant only a B rating at some later date. Generally speaking, however, in the case of bond ratings, the changes are relatively slight, and it is only on rare occasions that bonds (outside of the semi-speculative classes) fluctuate in investment quality more than a point or two.

To more clearly illustrate the use of, and the methods employed in rating bonds it may be noted here that in order that bonds may be compared properly they must be grouped according to security. This is what the rating accomplishes. This, however, does not mean that all bonds with an A1 rating have identically the same degree of safety. Some bonds in this particular grouping will necessarily be a little better than the best bonds with an A rating, while some will be very nearly entitled to an A1+ rating.

If bonds were articles that had length and could be measured, this investment "yard stick", or rating measure would look something like this:



The bond X would be higher on the scale than the bond Y, although both would have the rating A1. Yet this stick would bring together for comparison bonds of about the same "length". The finer differences between bonds must be determined by the comparison which the groupings by ratings make possible.

In the rating system employed by one organization bonds are first rated on a percentage basis. A definite percentage is allowed for each element of strength under each of the three main heads—Earnings, Mortgage position, and Marketability. The maximum allowances are 50% for earnings, 35% for mortgage position, 15% for marketability. Exactly the same percentage is always allowed for the same element in every bond in the same class—railroad, industrial, or public utility.

The final percentages are then translated into symbols A1+, A1, A, B1+, B1, B, etc. An A1+ bond is one that has received the maximum percentage allowances referred to above. The other ratings signify varying percentage deductions from this maximum. By such methods of rating similar bonds are brought squarely in contrast with each other and the chance of error due to inevitable human prejudice is greatly reduced or removed.

In the rating of stocks the same general principles are followed. Ratings on stock issues, however, are based on formulae distinctly independent of those applied to bonds, and as in the case of bonds, the attempt is also made to evaluate and rate stocks on a scientific basis.

CORPORATION RECORDS

In the records maintained on corporations, information is available on every important corporation of the country. This information is complete from the date of organization down to the present date, and includes detailed data on the capitalization of the company, amounts of bonds, preferred and common stocks outstanding, the terms and provisions pertaining to these issues, general financial position of the company, working capital position and current ratio, dividend record, book value of the stock, current and average earnings over a period of years, detailed balance sheets and income statements presented in comparative form for a period of years, high and low prices of the stock, for each year, production and operating statistics, history of the company, nature of business, extent and location of plants and properties, territories and markets served and the officers and directors of the company.

In addition to the above mentioned corporation data, information is currently received by the statistical department daily and weekly, summarizing all the corporation news published throughout the country, providing complete and up-to-the-minute information on the financial condition of the various companies, their latest earnings and operations, building plans and acquisitions, new financing and issue of securities, business troubles, and reorganizations, elections of officers, etc.

In the following pages is presented an example of the records maintained, in card form, for corporation data, showing the scope of the information covered in these records. The information shown in these cards is also available in bound manual form. The manuals are republished annually or more frequently, and are kept up-to-date by supplements published weekly or monthly.

LIMA LOCOMOTIVE WORKS, INCORPORATED L 19

Revised February 8, 1929.

ANNUAL REPORT SECTION.

Individual Reports Section

STANDARD CORPORATION RECORDS

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Copyright, 1929, by Standard Statistics Co., Inc., Publishers.
200 Varick St., N. Y.

Position and Prospect

(Based on Annual Report for fiscal year ended Dec. 31, 1928, and later information to date of revision. Any changes based on subsequent data or developments will be published in Bulletin Section (White) L 20, in bold face type under "Digest of Position and Prospect.")

Lima Locomotive Works, Inc., is the third largest builder of steam motive power in the United States. This company and its predecessor have been engaged in the manufacture of passenger and freight locomotives and parts for more than half a century. The standard types of Lima locomotives are in use on many leading railroads including such lines as New York Central, Pennsylvania, Southern and other important systems. In addition to its standard freight and passenger equipment, the company manufactures the Shay geared locomotive for heavy duty industrial service.

Enlarged Plant

Important betterments and enlargements were made in the company's plant in 1922 and 1923 in preparation for the revival of railroad buying which was expected to come with the recovery in carrier earning power. Plant capacity was increased more than one-third. Present facilities would permit annual production of about 600 freight and passenger locomotives for railroad service and about 150 smaller industrial engines.

Late Developments

Locomotive manufacture in the last few years has entered upon a phase of intensive engineering development such that equipment of a more efficient order is displacing the older designs and types in fast passenger and heavy freight service. A factor affecting both the volume of sales and types ordered is the larger proportion of replacement orders today as compared with past periods. The number of units of motive power for the country at large has decreased somewhat in recent years, though total tractive power is greater. Increased efficiency and size combined with more nearly continuous utilization of units has tended to restrict the volume of new orders, but meantime the margin of reserve locomotive capacity in excess of immediate operating requirements appears to have been narrowed to the point where any further growth of traffic would necessitate the installation of additional units.

Acquires Power Shovel Company

With a view to diversifying its product, the company acquired during 1928 the Ohio Power Shovel Company, which manufactures power shovels, cranes, draglines, and similar products, now marketed under the trade name "Lima 101." In locomotive business there was no improvement during the year 1928 over 1927, and the amount of business done represented only about 25% of capacity. Unfilled orders on the books at the beginning of 1929 amounted to about $2,485,000.

Capital and Dividends

The company has no bonded debt and but one class of capital stock. There is outstanding 211,057 shares of no par stock of a declared value of $10,552,850. The former $1,943,300 of preferred stock was called for redemption in 1922 and the entire issue was converted into common.

Regular dividends were paid on the

(S-B) (Continued on following page)

This information, while not guaranteed, is believed to be correct.

preferred to retirement. The common received payments from the last quarter of 1921, beginning with a rate of $7 a year on shares of $100 par. One year later the stock was changed to no par value and the rate of $4 established on new stock issued in the ratio of two new shares for one old. The $4 per annum distribution was maintained through the first half of 1928, but omitted thereafter.

Earnings Variable

Sales were relatively high during the rehabilitation period of the railways in 1920 and 1921, and following the depression period in 1922, a record for the decade of $20,287,000 was reported in 1923. During the last five years, however, sales have averaged only about half as much; and were $6,219,000 and $6,559,000 respectively in 1927 and 1928, following a recovery to $17,899,000 in 1926. Net income declined from $2,402,600 in 1923 to $1,500,000 in 1924, and a loss of $844,400 was reported for 1925. The recovery in 1926 brought a net income of $1,704,800, but losses of $191,300 and $111,600 were sustained in 1927 and 1928 respectively.

Large Working Capital

Current assets Dec. 31, 1928, totaled $7,105,500, including $4,568,600 cash and U. S. Government obligations and $739,400 receivables. Current liabilities were $223,700, leaving indicated net working capital of $6,881,800, some $190,000 less than in the previous year and $800,000 less than at the close of 1926. Gross book value for property had been increased little during the year, and the net amount after depreciation had declined some $360,000 in reflection of the year's depreciation charge. Goodwill was still valued at $2,687,716, and drawings, patents, dies and similar items at the nominal figure of $1. Book value of the stock, excluding intangibles, was $50.68 per share.

Outlook

Improvement in the railway equipment industry was shown in January, 1929, year-end orders being heavy. Record appropriations for equipment in 1929 are reported in the railroad budgets, and in spite of the smaller amount of unfilled orders reported at the close of 1928, the company's business in the current year is expected to show an increase. Surplus equipment in the fall of 1928 was reported as considerably less than in the corresponding period of 1927.

STANDARD STATISTICS CO., Inc.

ANNUAL REPORT

New York Office—17 East 42nd St., New York City. **Corporate Office**—Richmond, Va. **General Office**—Lima, Ohio. **Transfer Office**—Irving Trust Co., New York City. **Registrar of Stock**—Guaranty Trust Co., New York City. **Annual Meeting**—First Wednesday in April, at Richmond, Va. **New York Stock Exchange Listed Security.**

Certification of Accounts.—Company's Reports certified by Lingley, Baird & Dixon, Accountants and Auditors, New York.

Capitalization.

Note.—As of date of revision the company had no funded debt. Current amounts of authorized and outstanding capital stock are published in Bulletin Section (White)—L 20.

Changes in Authorized Capital Stock.

At the time of organization, the authorized capital stock consisted of $3,200,000 (par, $100) preferred stock and $7,550,000 (par, $100) common stock. By conversion into common stock, the preferred stock was reduced to $1,943,300 on Dec. 31, 1922.

On July 14, 1922, the stockholders voted to change the $100 par value shares of common stock into shares without par value, and to increase the authorized common shares to 300,000 (no par value). Such changes became effective July 15, 1922.

(Continued on following page)

LIMA LOCOMOTIVE WORKS, INC.—(Continued) L 19—3

Purposes of Stock Issuance.

Common Stock (Par, $100)—

$2,000,000	issued in exchange for $2,000,000 pfd. stock of Lima Locomotive Corp.
1,000,000	issued in exchange for $4,000,000 com. stock of Lima Locomotive Corp
1,100,000	issued to purchasers of $2,000,000 pfd. stock of Lima Locomotive Works, Inc.
250,000	issued to officers and employees of Lima Locomotive Works, Inc. (additional compensation).
656,800	issued in conversion of $656,800 preferred stock of Lima Locomotive Works, Inc.
$5,006,800	total common stock (par, $100) issued prior to July 14, 1922.

As of Dec. 31, 1922, all the common shares (par, $100), except 249 shares, had been converted into no-par shares.

Common Stock (No par Value)—

Shares	
100,136	issued in exchange for 50,068 shares (par, $100) at the rate of 2 for 1.
66,757	sold for $3,337,850 in cash.
44,164	issued in conversion of shares of preferred on a basis of 2 shares common for 1 share of preferred.

Preferred Stock (Par, $100)—

$2,200,000	issued for cash at $90 per share to depositors of $4,000,000 com. stock of Lima Locomotive Corp. (cash received from sale of pfd. stock turned into treasury for working capital).
665,000	issued for cash at $90 per share on Sept. 27, 1917, to stockholders of Lima Locomotive Works, Inc. (turned into treasury to be used as working capital).
$2,865,000	total preferred stock issued.
Less: $921,700	converted into common stock.
$1,943,300	preferred stock outstanding Dec. 31, 1922.

On June 1, 1923, the outstanding preferred stock was called for redemption at $107.50 per share and accrued dividends. All preferred stockholders, however, availed themselves of the conversion privilege into common stock, so that no stock remained for redemption.

Number of Stockholders, As of November 15.

*1928	1,480	1925	1,223
1927	1,231	1924	1,341
1926	1,240	1923	1,273

*August 15, 1928.

High and Low Prices of Stocks.

(New York Stock Exchange—Preferred and Common Stocks were Listed on the N. Y. Stock Exchange on Mar. 23, 1921.)

	Pfd.		Com.	
	High	Low	High	Low
1928	a	a	65⅞	38
1927	a	a	76⅜	49
1926	a	a	69¾	53½
1925	a	a	74⅜	60
1924	a	a	71	56
1923	a133⅓	a113	74⅞	58¼
1922	126	98	*65⅜ †117⅞	52 91
1921	102	87½	†102	64

*New common (no par value).
†Old common (par value, $100).
aPreferred stock was converted into common stock prior to June 1, 1923.

(Continued on following page)

L 19—4_ **LIMA LOCOMOTIVE WORKS, INC.—(Continued)**

(New York Curb.)

	—Common— High	Low		—Common— High	Low		—Common— High	Low
1920	92	58	1919	98	27½	1918	50½	33

Approximate Dividend Dates.

Dividend Meetings Last Wednesday in	Ex-Dividend	Dividends Payable
Jan.	Feb. 15	Mar. 1
April	May 15	June 1
July	Aug. 15	Sept. 1
Oct.	Nov. 15	Dec. 1

Dividends Paid in Calendar Years Since Organization—

	Pfd. %	Com. (Par, $100) %	Com. (No Par) (Per Shr.)
1928	(a)	--	$2
1924-27 (each yr.)	(a)	--	$4
1924-26	(a)	--	$4
1923	(a) 3½	--	$4
1922	*7 7/12	5¼	$1
1921	7	†1¾	--
1920	7	--	--

	Pfd. %	Com. (Par, $100) %
1919	7	--
1918	7	--
1917	‡3½	--

*Owing to change in dividend payment dates, the company paid 7 7/12% in 1922, as follows: Feb. 1, 1¾%; May 1, 1¾%; Sept. 1, 2⅓%; Dec. 1, 1¾%.
†Initial common dividend, 1¾%, paid Dec. 1, 1921.
‡Initial preferred dividend, 3½%, paid Nov., 1917.
(a) Preferred stock was converted into common stock prior to June 1, 1923.

Dividends paid during current calendar year will be reported in Dividend Sections.

10⅙-Year Analysis of Income Account.

(In 1928, Lima Locomotive Works, Inc., and Ohio Power Shovel Co., in 1927 and prior years, Lima Locomotive Works only.)

(Years Ended Dec. 31.)

(Based on "Comparative Income Account"—See Table Following)

	Sales $	Oper. Income $	Ratio of Oper. Exps. to Sales %	(a) Res. for Depr. Fed. Tax and Contings. $	Balance Avail. for Bond Int. $	Bond Interest $	Times Earned
1928	6,558,958	2,636	99.96	414,762	g	.....	....
1927	6,218,760	d63,463	101.02	415,244	g	.....	....
1926	17,899,073	2,520,611	85.92	891,217	g	.....	....
1925	4,490,028	d630,845	114.05	419,220	g	.....	....
1924	14,577,135	1,508,736	a89.65	225,000	g	.....	....
1923	20,286,868	2,791,836	a86.23	500,000	g	.....	....
1922	6,476,953	255,740	a96.05	.....	255,740	80,294	3.18
1921	12,528,154	2,112,006	83.14	855,414	1,256,592	120,000	10.47
1920	12,047,657	1,817,597	84.91	618,866	1,198,731	120,000	9.99

	Net Earnings $	Res. for Deprec. and Obsolescence $	Federal Taxes Paid $
*1919	896,613	277,353	119,486

(Continued on following page)

LIMA LOCOMOTIVE WORKS, INC.—(Continued) L 19—5

	Net Income	Preferred Dividends Paid (Amount)	Earned	Divs. Paid	Pfd. Divs. and Bond Int. Times Earned	Common Divs. Paid (Amt.)	Common (b) Earned (Per Share)	Common Dividends (b) Paid (Per Share)	Surplus for Year
	$	$	%	%		$	$	$	$
1928....	d111,606	f.....	f	f	f	422,114	d0.53	2	d533,720
1927....	d191,341	f.....	f	f	f	844,228	d0.91	4	d1,035,569
1926....	1,704,828	f.....	f	f	f	844,228	8.08	4	860,600
1925....	d844,392	f.....	f	f	f	844,228	d4.00	4	d1,688,620
1924....	1,500,043	f.....	f	f	f	844,228	7.11	4	655,815
1923....	2,402,605	30,326	f	3½	f	809,570	11.38	4	1,562,709
1922....	175,446	130,985	10.16	7 1/2	1.21	189,211	0.26	(c)6¼	d144,750
1921....	1,136,592	200,550	39.67	7	3.92	304,500	21.52	7	631,542
1920....	1,078,731	200,550	37.65	7	3.74	.....	20.19	..	878,181
*1919....	499,774	200,550	17.44	7	(g)	.....	6.88	..	299,224

*Fourteen months ended December 31, 1919.

(a)Depreciation only, in 1928, 1927 and 1925. Federal taxes and contingencies only, in 1924 and 1923. Depreciation and Federal taxes only, in 1921 and 1920. In 1924, 1923 and 1922, depreciation was included in operateg expenses.

(b)The earnings per share on common in 1922 and subsequent years and the dividends paid per share on common in 1923 and subsequent years are based on no-par shares. The dividends paid per share on common in 1922 are partly on no-par and partly on $100 shares. The earnings per share and dividends paid per share on common; in 1921 and previous years are on $100 par shares.

c0f the $6.25 per share common dividends paid in 1922, $5.25 per share was paid on shares of $100 par value and $1 per share on no-par shares.

dDeficit.

fPreferred stock was converted into common prior to June 1, 1923.

gBonds were outstanding only in 1920, 1921 and 1922.

Comparative Income Account, Years Ended Dec. 31.

(In 1928, Lima Locomotive Works, Inc. and Ohio Power Shovel Co., in 1927 and prior years, Lima Locomotive Works only.)

	1928	1927	1926	1925	1924	1923	1922
	$	$	$	$	$	$	$
Sales	6,558,958	6,218,760	17,899,073	4,490,028	14,577,135	20,286,868	(a)6,476,953
Mfg. cost (Incl. depr. in 1922 to 1924, inclusive), adm. and other exps.	6,556,322	6,282,223	15,378,462	5,120,873	13,068,399	17,495,032	6,221,213
Oper. income	2,636	d63,463	2,520,611	d630,845	1,508,736	2,791,836	255,740
Other income.	300,520	287.366	165,431	205,675	216,307	110,769	.....
Gross income	303,156	223,903	2,686,045	d425.170	1,725,043	2,902,605	255,740
Deductions—							
Res. for deprec.	414,762	415,244	409,967	419,222	(b)	(b)	(b)
Int. on bonds	.....	.....	.....	.....	.....	.....	80,294
Res. for conting.....	.....	.....	350,000	.....	.....	500,000	.....
Res. for Fed. taxes	.....	.....	221,250	.....	225,000		.....
Total deduct.	414,762	415,244	981,217	419,222	225,000	500,000	80,294
Net income.	d111,606	d191,341	1,704,828	d844,392	1,500,043	2,402,605	175,446
Pfd. divs.....	.....	.....	.....	.....	.....	30,326	130,985
Com. divs....	422,114	844,228	844,228	844,228	844,228	809,570	189,211
Surp. for year	d533,720	d1,035,569	860,600	d1,688,620	655,815	1,562,709	(d)144,750
Previous surp.	2,914,722	3,843,672	2,983,072	4,671,692	4,015,877	2,453,167	2,470,994
Total surplus	2,381,052	2,808.103	3,843,672	2,983,072	4,671,692	4,015,876	2,326,244

(Continued on following page)

L 19—6 **LIMA LOCOMOTIVE WORKS, INC.—(Continued)**

(This table continued from preceding page)

Unexpend. res. trans. to surp. (credits) ..	.....	106,669	.....	.....	.....	.....	250,000
Prem. on Lima Loco. Corp. bonds retired (debit)	.....	.....	.....	.....	.....	.....	123,076
Surplus as per balance sheet	2,381,052	2,914,772	3,843,672	2,983,072	4,671,692	4,015,876	2,453,167
	1928	1927	1926	1925	1924	1923	1922
	$	$	$	$	$	$	$
Earned per Share:							
On pfd. stock (aver. amount on which divs.							
On outstanding were paid)....	*	*	*	*	*	*	*
com. stock ..	Nil	Nil	$8.08	Nil	$7.11	$11.38	(c)$0.26

*Preferred stock was called for redemption on June 1, 1923.

(a) Designated "Gross Income."

(b) Depreciation included with operating expenses.

(c) Based on 171,693 shares (no par) outstanding Dec. 31, 1922, plus 498 shares (no par), the equivalent of the 249 shares (par, $100) outstanding Dec. 31, 1922—no par shares exchangeable for $100 shares in the ratio of 2 of the former for 1 of the latter.

(d) Deficit.

Comparative General Balance Sheet—Working Capital.

(As of Dec. 31.)

(In 1928, Lima Locomotive Works, Inc. and Ohio Power Shovel Co., in 1927 and prior years, Lima Locomotive Works only.)

	1928	1927	1926	1925	1924	1923	1922
Assets—	$	$	$	$	$	$	$
Land, bldgs, & equip.	6,387,636	6,337,595	6,230,158	.....	.....	.....	.....
Less. rec. for deprec.	2,638,182	2,227,349	1,817,121	.....	.....	.....	.....
Property (net)	3,749,454	4,110,246	4,413,037	4,726,506	5,111,230	5,443,041	4,876,432
Goodwill	2,687,716	2,687,717	2,687,716	2,687,717	2,687,716	2,687,716	2,687,716
Drawings, patterns, dies, etc.	1	1	1	1	1	1	1
Accident insur. fund (cash & gov. secur.) (see contra).	165,516	159,922	161,910	138,538	139,539	138,412	94,465
Deferred chgs.	64,890	49,194	61,545	80,165	59,764	54,379	359,855
Current Assets—							
Cash	74,375	66,515	50,452	190,488	335,729	1,434,018	1,615,630
U. S. Govt. obligs.	4,494,196	5,713,193	5,133,225	3,610,184	4,534,488	.....	.....
Notes or bills receiv.	.....	120,187	182,842	27,019	76,552	150,623	146,250
Accts. receiv. incl. in 1928, bills rec.....	‡739,357	‡131,495	‡2,043,632	855,050	1,505,625	2,257,310	1,064,659
Employes' pfd. stock subscrip. acct.	.....	.....	.....	.....	.....	.....	37,164
Int. accrued..	.....	.....	.....	.....	.....	.....	.....
Inventories ..	1,627,197	1,021,838	1,179,323	2,547,655	1,954,715	3,887,895	4,438,865
Investments .	170,380	170,379	170,379	170,379	204,629	181,350	.....
Total current assets	7,105,505	7,223,697	8,759,853	7,400,775	8,607,748	7,911,196	7,302,568
Total assets.	13,773,082	14,227,687	16,084,062	15,033,702	16,605,998	16,234,745	15,321,037

(Continued on following page)

LIMA LOCOMOTIVE WORKS, INC.—(Continued) L 19—7

(This table continued from preceding page)

Liabilities—							
Pfd. stock...	.....	.....	.....	.....	.....	.....	1,943,300
Com. stock (no par)	10,552,850	10,552,850	10,552,850	10,552,850	10,552,850	10,552,850	8,584,650
Com. stock (par $100).	.....	.....	.....	.....	.....	.....	24,900
Accident insur. fund (see contra)	165,516	159,922	161,910	138,538	139,539	138,412	94,465
Reserve for conting. ...	450,000	450,000	450,000	†	†	†	†
Surplus	2,381,052	2,914,772	3,843,672	2,983,072	4,671,692	4,015,876	2,453,167
Current Liabilities—							
Bills payable.	.....	.....	.....	.....	.....	.....	1,000,000
Accts. payable	123,329	40,793	659,662	1,024,262	688,896	885,199	1,070,832
Miscel. accr. liabs.	100,335	109,350	129,128	169,390	180,176	115,111	122,426
†Res. for Fed. taxes	.....	(a)	286,840	165,590	372,845	527,297	27,297
Total current liabils. ...	223,664	150,143	1,075,630	1,359,242	1,241,917	1,527,607	2,220,555
Total liabils.	13,773,082	14,227,687	16,084,062	15,033,702	16,605,998	16,234,745	15,321,687
*Net working capital	6,881,841	7,073,464	7,684,223	6,041,533	7,365,831	6,383,589	5,082,013

*Based upon statement of current assets and current liabilities as above.

†Reserve for Federal taxes includes reserve for contingencies which is not reported separately in years previous to 1926.

‡Less reserve.

(a) During 1927, final settlement was effected with the Federal Government in respect of all income tax obligations to Dec. 31, 1926. Therefore no reserve for taxes appears on the above balance sheet.

Equities for Stock, As of December 31.

	1928	1927	1926	1925	1924	1923	1922
No. of shrs. of com. stock outstdg. ...	211,057	211,057	211,057	211,057	211,057	211,057	*172,191
Par value of shares	None	None	None	None	None	None	None
Indicated total book value (excl. trademks., goodwill, pats., etc., but incl. in 1928, 1927 and 1926, res. for contings.) applic. to com. stk. ...	10,696,185	11,229,904	12,158,805	10,848,204	12,536,826	11,811,009	8,375,000
Book value per shr. of com. stock	$50.658	$53.21	$57.61	$51.40	$59.40	$56.29	$48.64
Goodwill, drawings, pats., dies, etc. ...	$2,687,717	$2,687,718	$2,687,717	$2,687,718	$2,687,717	$2,687,717	$2,687,717
Goodwill per share of com. stock	$12.73	$12.73	$12.73	$12.73	$12.73	$12.73	$15.61

*249 shares (par, $100) and 171,693 (no par value), or the equivalent, 172,191 shares (no par).

(Continued on following page)

L 19—8 **LIMA LOCOMOTIVE WORKS, INC.—(Continued)**

Earning Power.

	10⅛ Years, Oct. 31, 1928 to Dec. 31, 1928	Annual Average
Aggregate net profits available for dividends	$7,350,680	$743,018
On 211,057 no-par common shares outstanding Dec. 31 1928. No allowance is made for preferred dividends paid as all preferred was converted into common prior to Dec. 31, 1923	$34.83	$3.43

Unfilled Orders December 31.

1928	$2,485,157	1926	$65,000	1925	$6,900,232
1927	3,580,727				

History and Property.

History.—Lima Locomotive Works, Incorporated, was incorporated under the laws of the Commonwealth of Virginia on April 25, 1916, with perpetual charter.

The company acquired on Oct. 21, 1916, all the business and assets, and assumed the liabilities of Lima Locomotive Corp. (which had succeeded the Lima Locomotive and Machine Co., established in 1872).

During 1928, the company acquired the management and ownership of The Ohio Power Shovel Co.

Nature of Business—The company is engaged in the manufacture and sale of locomotives and parts and accessories therefor. The Annual Report for 1928 stated that the company was manufacturing power shovels, cranes, draglines, etc., which are marketed through The Ohio Power Shovel Co., as a subsidiary, under the trade name "Lima 101."

Property—The company owns approximately 60 acres of land in Lima, O., upon which is located its manufacturing plant, which consists of buildings and equipment used for manufacturing locomotives and locomotive parts and for warehouses and offices of the company. The buildings and yards cover 34½ acres, leaving 25½ acres available for future extension.

Officers and Directors.

OFFICERS—Joel S. Coffin, Chairman of the Board of Directors and President, New York; John E. Dixon, Vice-Pres. in charge of sales, New York; Wm. L. Reid, Vice-Pres. in charge of manufacturing, Lima, Ohio; Wm. E. Woodard, Vice-Pres. in charge of engineering, New York; Lewis A. Larsen, Vice-Pres. and Treas., Lima, Ohio; William H. Winterrowd, Vice-Pres., New York; J. Lee Laughlin, Comptroller, Lima, Ohio; Edward N. Pierce, Sec'y. and Asst. Treas., Lima, Ohio; Wm. E. Kleinoeder, Asst. Sec'y. Lima, Ohio.

EXECUTIVE COMMITTEE—Samuel G. Allen (Chairman), Frederick B. Adams, Herman F. Ball, Joel S. Coffin, all of New York; Lewis A. Larsen, Lima, Ohio; Frank T. Heffelfinger, Minneapolis, Minn.

DIRECTORS—Joel S. Coffin (*Chairman), Frederick B. Adams (*W. A. Harriman & Co., Inc.), Frederic W. Allen (*Lee, Higginson & Co.), Samuel G. Allen (*International Combustion Engineering Corp.), Herman F. Ball (*Franklin Railway Supply Co.), Franklin Q. Brown (*Redmond & Co.), John F. Harris (*Harris, Winthrop & Co.), all of New York; Frank T. Heffelfinger, Minneapolis; Lewis A. Larsen (*Vice-Pres. and Treas.), Lima, Ohio.

*Also a director in other companies.

Subsequent changes in Officers or Directors will be reported in "Bulletin" Section (White)—L 20.

RAILROAD INVESTMENT INFORMATION

The information available to the investor on railroad securities and the operations of the railroads is not only comprehensive but is available in such detailed comparative form that the investor interested in railroad securities is in a position to obtain at all times complete and accurate information and data on this group of securities. Voluminous and exactly comparable data are available about every important railroad once a month, and it is accordingly possible to analyze the stocks of railroad companies on a more scientific basis.

Important sections of the information available on railroads are, as follows:

Relative Stock Position: The information available in this section of the data on railroad securities is brought up to date monthly and embodies a statistical comparison of all important railroad stocks, divided into five main classes, as follows: (1) All important stocks; (2) Dividend paying common stocks; (3) Non-dividend paying common stocks; (4) Dividend paying preferred stocks; and (5) Non-dividend paying preferred stocks. This comparison contains all of the essential statistical elements, including stock prices, current yields, indicated annual share earnings, last year's actual per share earnings, 3-year average per share earnings, 10-year average per share earnings. Price-earnings ratios based on indicated share earnings, margin of safety for common and preferred dividend requirements and for fixed charges, deviation from average bond yields, etc.

Earnings Actual and Per Share. In this section, which is brought up to date monthly, is found the actual gross revenues and net operating incomes of the individual railroad companies for the latest month reported and the cumulative period for the year to date. In addition, it contains estimates of the full year's gross income including other income (sum available for fixed charges) together with indicated fixed charges times earned, and per share earnings on both the preferred and common stocks, for the current year.

Earnings Trend. In this section is available a comparison between estimated earnings cumulatively by months and

actual results for the preceding year, thus making it possible, at any time of the year, for the investor to compare a road's indicated gross revenues for the year with preceding months and actual gross revenues of the preceding year, as well as such items as: indicated net after rents, estimates of property value, rate of return on these estimates of property value, any excess due the government, estimated other income, indicated gross income, indicated fixed charges times earned, and indicated earnings on preferred and common stocks, after making all deductions in earnings over 6 per cent on the estimated property values.

Revenues and Expenses. In this section of railroad data may be found a complete analysis of the operating revenues and expenses of each of the leading railroads, together with a summary, by means of which it is possible to determine for each month and for the cumulative period, the make up of a company's revenues by months, as between freight and passenger, etc., as well as the division of the major expenses, taxes and rentals. Herein the investor will also find the ratio of each main expense classification to total gross revenues for the year to date, as well as the ratio of total operating expenses to total gross revenues, that is, the operating ratio.

Individual Company Analyses: In connection with the investment service on railroads, complete analyses of individual railroad companies are available to the investor monthly. These analyses contain in general the following information:

Summary of the Railroads Position and Outlook
Outlook for Common Stock
Outlook for Preferred Stock
History of Road
Property
Territory Served
Growth of Territory
Routes and Connections
Character of Traffic
Map—Showing lines of system
Development of Traffic
Earning Power
Capitalization
Maintenance and Expense Ratios
Outstanding facts regarding the road
Growth of Property Investment
Financial Condition
Consolidation Prospects
Freight Traffic Growth
Outside Investments
Land
Earnings Plowed Back
Equipment Expansion
Efficiency of Operation
Equity and Dividend Record

News and Comment Section. Under this section, in which the information is available from week to week, the investor will find analyses and forecasts of the general security market situation and its relation to the rail market, together with information on the securities of railroads which may be in a favorable position for purchase, or otherwise, from both the speculative and investment standpoints. Here also may be found information and data concerning:

Agriculture—Crop values, Tonnage composition of revenue freight. Grain loadings of leading grangers.

Application for New Security Issues.

Animals—Tonnage composition of revenue freight.

Bad Order Cars—By months.

Bad Order Locomotives—By months.

Bonds & Maturities.

Car Loadings—Total loadings of all roads published weekly. Loadings of individual and selected roads and average car loadings.

Car Surplus—Weekly information.

Comparative Rail Stock Prices.

Cheapest Rail Stocks on Earnings.

Charts—Trend of total freight traffic. Car Loadings of bituminous roads by weeks. Car loadings of anthracite roads by weeks. Grain loadings of 12 granger roads by weeks and car loadings by weeks, etc.

Coal—Consumption and Costs.

Consolidation—Developments affecting stock prices.

Dividends—Changes; prospects; comparisons.

Earnings—Outlook; comparisons; highest per share, etc.

Employment—Statistics and comment.

Equipment—Condition of—orders placed.

Expense Ratios—By months.

Forest Products—Tonnage composition of revenue freight.

Freight Car Movements—By months.

Freight Traffic—Actual by months, prospects, etc.

Fuel Consumption—And Costs, by months.

Index of Stock Prices—Rails and Industrials.

Interstate Commerce Commission—Rulings and decisions, etc.

Legislation—Politics and the railroads.
Margin of Safety—Safety margin, principal roads compared.
Mine Products—Tonnage composition, leading railroads.
Mergers—Possible, etc.
Money Rates—Effect on rail market.
Net Operating Income—Selected roads.
Operating Statistics—By months. Records of previous year.
Rates—Mail rate increases. Western trunk line freight rates, etc.
Revenue and Expenses—By months.
Share Earnings—Estimated per share earnings at recapture point. Actual surplus and share earnings.
Transportation Act.
Valuation of Railroads—Recapture point per share, etc.
Wage statistics by Months—Controversies, disputes, etc.
Yields—Highest; lowest; comparisons, etc.

Statistical Annual. In addition to the information available in the foregoing sections, the information provided in the investment service on railroads also includes a Statistical Annual, which, appearing yearly, contains important annual data concerning all the leading railroads, both collectively and individually, and is of value for general purpose statistics and for making long term comparisons.

DIVIDEND RECORDS

Primarily of value to the cashier or dividend clerk, Standard's Dividend Records provide dividend information on more than 6,200 stocks, among which are included securities of industrial and public utility corporations which are listed or have only a local market. These records give the dividend rate, name of the corporation, last dividend, books close date, books open date, dividend payable date, amounts paid last year and this year. This information is revised daily, and the last dividend is carried on the sheets as a permanent record until a new dividend is declared. In addition, a weekly dividend calendar, covering over 6,200 stocks, gives a day-by-day record of all routine dividend developments which take place affecting these stocks during each succeeding two weeks.

TRADE AND SECURITIES SERVICE

The information available here is of particular value to those interested in watching the trend of securities and business. It makes available analyses and forecasts of business and financial conditions and security price trends, and includes analyses and forecasts of the outlook for the key industries, and the leading securities in each industry.

Among the industries, commodities and security groups on which information of this character is regularly available are the following:

Agricultural Implements
Apparel
Automobiles and Trucks
Automobile Parts and Accessories
Automobile Tires, Rubber Goods, etc.
Building, Real Estate & Related Lines
  (a) Asphalt and Cement
  (b) Equipment, supplies and construction
  (c) Property ownership and management
Chemicals (Industrial)
Coal and Coke
Copper and Brass
Cotton and Cotton Goods
Electrical Equipment
Farm Products
Fertilizers
Railroads
Rayon
Shipping and Shipbuilding
Silk and Silk Goods
Steel and Iron
Sugar Producing and Refining
Theatres and Motion Pictures
Tobacco and Tobacco Products
Utilities—Electric light, power, gas, heat, water, etc.
Unclassified Industries and Commodities

Food Products (Other than meat)
- (a) Baking products & flour
- (b) Candy, soft drinks & chewing gum
- (c) Dairy products
- (d) Miscellaneous

Household Products and Supplies
- (a) Floor coverings
- (b) Ice and Refrigeration
- (c) Miscellaneous

Lead and Zinc
Leather and Shoes
Machinery and Machine Equipment
Meat Packing
Mining and Smelting
Office and Business Equipment
Oil Producing and Refining
Paper and Paper Products
Radio, Phonograph and Musical Instruments
Railroad Equipment
Retail Trade
- (a) General—Chain Systems and department stores
- (b) Groceries
- (c) Mail Order
- (d) Restaurant
- (e) Tobacco

Utilities—Telegraph, Telephone, etc.
Utilities—Tractions, bus and motor transporation, etc.
Wool and Woolen Goods

Information on most of the above subjects is available monthly, giving complete and up-to-date statistics on prices, production, consumption, distribution, etc., with long term comparisons. In addition analyses of sales and credit conditions and trends, in every State and in more than two hundred of the leading cities of the United States are included. Here also, summarized monthly in convenient form for ready reference, is found the latest significant financial and earnings data relative to about 650 leading common stocks.

OTHER SOURCES OF INFORMATION ON SECURITIES, TRADE, FINANCE AND BUSINESS CONDITIONS

Other sources of information used by the statistical departments of investment houses and available directly to the investor or through investment banking and brokerage houses are the following:

Listing Requirements of the New York Stock Exchange. All corporations whose securities are listed and traded in on the New York Stock Exchange must, before this right is granted, file with the New York Stock Exchange on its listing application, a detailed statement giving information which includes the following:

Where incorporated; date and duration of charter; business; special rights or privileges under charter or by-laws; whether capital stock is full paid; non-assessable; and whether liability attaches to shareholders.

Issues (by classes); dividend rate and par value; total amount of each, authorized and issued; increases and authority therefor, including (a) action by stockholders, (b) by directors, and (c) by public authorities, etc.; amount unissued, (a) options or contracts on same, (b) specific reservation for conversion.

If preferred stock; (1) whether cumulative or non-cumulative; (2) preferences, including, (a) voting power; (b) dividends; (c) distribution of assets on dissolution or merger; (d) redemption; (e) convertibility; (f) special provisions.

Voting power of obligations of debt. Purpose of issue; application of proceeds; amount issued for securities, contracts and property; additional property to be acquired, etc.

History of the corporation; of predecessor companies or firms; with location and stock issues (by classes); conditions leading to new organization. Tabulated list of constituent, subsidiary, owned or controlled companies, showing date of organization, where incorporated, etc.

Mortgage, and other indebtedness showing, date, maturity, interest rate, convertibility, redemption by sinking fund or otherwise, etc.

Plant and Properties, giving description, location, nature and acreage of property; Equipment; character of buildings and construction, etc. Policy as to depreciation.

Character and amount of annual output for preceding five years; estimated output (character and amount) for current year; number of employees.

Financial statements; earnings for preceding five years, if available with interest charges, depreciation and federal taxes; income and surplus account of recent date for at least two years, if available; balance sheets of same dates; balance sheet giving effect to recent financing, if any, etc.

In addition to the foregoing, other pertinent information is also required in connection with applications filed for listing by (1) corporations which own or operate mines, (2) Investment Trusts, and (3) for the list of foreign shares, special information is required.

Investment and Financial Periodicals. Among the more important publications furnishing information and statistical data on investments, finance, trade, industry and general business conditions are, The Commercial & Financial Chronicle, Barron's, Wall Street Journal, Magazine of Wall Street, and the Annalist. The information and data supplied by these publications covers practically every aspect of investment and business information, and provides an enormous amount of current financial information, including security price quotations, detailed analyses and comment on individual companies, summaries of annual corporation reports, current earnings statements, production figures, and in general any and all available news of corporations whose securities have been distributed in the market.

Trade Journals, Government Department and Publications, Trade Associations and Institutes

Other important sources of information, including primary and secondary sources, are those represented by the various trade journals, Government publications and departments, and trade association and institutes. Among these are: (1) Railway Age, (2) The F. W. Dodge Corporation, (3) Federal Reserve Board, (4) United States Dept. of Commerce, (5) U. S. Dept. of Labor, (6) U. S. Dept. of Agriculture, (7) The Iron

Age, (8) Bradstreet's, (9) National Lumber Manufacturers' Association, (10) Dun's Review, (11) United States Dept. of the Interior, (12) American Bureau of Metal Statistics, (13) American Iron and Steel Institute, (14) American Petroleum Institute, (15) American Railway Association, (16) Silk Association of America, (17) American Metal Market, (18) Federal Reserve Bank of New York, (19) American Zinc Institute, (20) Association of Cotton Textile Merchants of New York, (21) Bureau of Railway Economics, (22) Interstate Commerce Commission.

MARKET LETTERS AND INVESTMENT REVIEWS

The preparation of investment reviews and market letters represents an important part of the work of the Statistical Department of investment and brokerage houses. These are issued weekly or from time to time with more or less regularity in connection with the new business activities of the houses, being sent to the firm's customers and to prospective customers as bids for business. They also serve to keep the clients of the house informed on matters pertaining to their investment or speculative activities.

They usually present in summary form the essential or current significant facts relating to the business and financial situation the conditions and outlook in specific industries, and the position and prospects of individual corporations, together with information as to current developments affecting the securities of various corporations. In the preparation of these reviews the developments of the past week or month in the stock market will be reviewed, the present situation will be discussed, and the probable immediate trend of the general market, of particular groups of stocks, or of individual securities will be considered. In connection with the discussion on the general market, the position of the market may be considered from the standpoint of the fundamental factors affecting the general market situation and also from the standpoint of its technical position. In addition significant recent developments as they relate to the existing conditions in the stock market and their probable effect upon the immediate, short or long term outlook will also be discussed.

In some reviews the general situation in the bond market will be considered in detail or in summary form in the same

general manner as the stock market. The financial situation, credit conditions and money rates will be considered in more or less detail. Also, the trend of bond prices will be reviewed and discussed, and the position of particular classes of bonds will be considered.

In some cases the reviews will be devoted entirely to a consideration of the conditions in specific industries, as affecting particular groups of stocks, such as for instance, the Rails, the Oil stocks, the Rubber companies, the Automobile companies, etc., and the probable outlook for the industry for the coming year will be discussed. In considering the conditions of a particular industry its statistical position, that is, the figures on production, consumption and stocks on hand will be presented and analyzed; prices will be considered, and where over production exists in the industry the probable effect of this on prices and on the net profits of the companies engaged in the industry will be considered. Summary analyses may also be included in such reviews on a selected list of the corporations engaged in the particular industry discussed, giving the essential or significant factors, together with opinions and suggestions as to the relative desirability in the opinion of the writer of the review of the securities analyzed from the standpoint of their investment or speculative merits.

Market letters, reviews or investment circulars are also prepared and distributed by the Statistical Department in which an analysis may be made in considerable detail with respect to the activities and prospects of a single corporation, while in other cases such reviews or circulars will supply in summary form the essential investment data on a number of different securities which the house considers represent desirable securities for either investment or speculative purposes, and in which it is desirous of interesting its clients.

In addition to the more or less detailed discussion of the general market, and of individual industries and corporations, many of these reviews supply information and news concerning current developments in the affairs of a great variety of corporations. This information usually covers such items as, quarterly, semi-annual or annual earnings figures, expansion plans, merger prospects, announcements of dividend changes, changes in management, et cetera.

Following is shown a more or less typical example of an investment review or market letter.

WOODBRIDGE & DAY

INVESTMENT REVIEW

Monthly Summary of Timely Investment Information

BOSTON · NEW YORK · CHICAGO · CLEVELAND · DETROIT · PROVIDENCE
PORTLAND, ME. PITTSBURGH

SEPTEMBER, 1929

STOCK MARKET

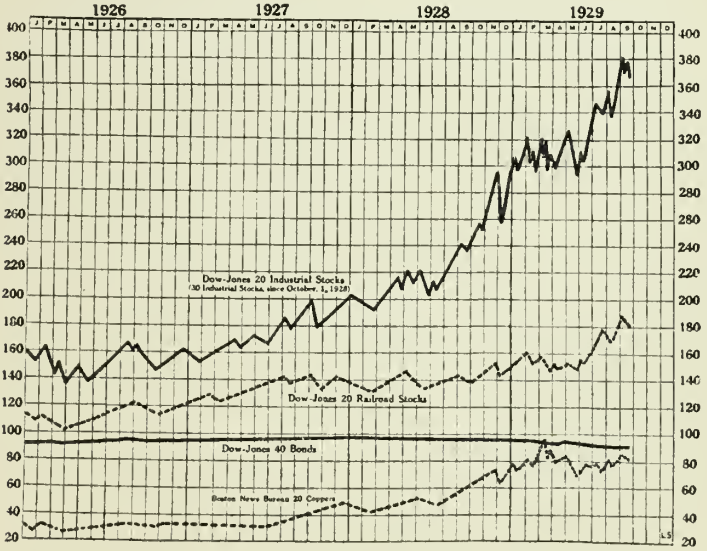
THE month of August was distinctly one of advancing stock prices in all departments. The Dow-Jones industrial average, starting the month at 347.70, advanced with few interruptions to a new record high of 381.17 on September 3rd. The railroad average

(Continued on page 280)

BOND MARKET

THE bond market during August held within a range of less than one point. The Dow-Jones average of 40 bonds made its high of 92.86 on August 3rd and its low of 92.10 on August 26th. Second grade rails showed the widest range, fluctuating from 94.00 on

(Continued on page 280)



Stock Market, Cont.

(Continued from page 279)

likewise advanced from 173.43 at the beginning of August to a new record high of 189.11 on September 3rd. While the copper average did not reach the former high of 95.80 touched last March, it appreciated from 77.05 to 89.94, the latter figure on September 6th. Subsequently, the industrials, railroads and coppers have declined, standing on September 12th at 366.35, 181.18 and 80.35 respectively. Sales on the New York Stock Exchange continued large in August, aggregating 95,704,890 shares, being exceeded only four times in the history of the Stock Exchange, comparing with 93,378,690 shares in July and 67,191,023 shares in August 1928. Brokers' loans as reported by the Federal Reserve as of September 11th established a new record at $6,474,000,000, up $120,000,000 for the week, up $522,000,000 for the month and up $2,089,000,000 for the year. Only $138,000,000 of the increase reported during the month was for "own account" while $289,000,000 represented loans "for others", indicating that the major part of requirements were provided by corporations, individuals and others outside of the Federal Reserve System itself. U. S. Steel Corp. reports unfilled orders on August 31st of 3,658,211 tons, down 429,966 tons for the month and the fourth consecutive monthly decline, but 34,168 tons larger than a year ago and the largest reported in August since 1923. While the decline in August this year was larger than anticipated, it is not considered alarming in view of the fact that operations throughout the summer have been at a record rate. They are now reported at about 91% of capacity, against 94% late in August and 77% at this time last year. Car loadings for the week ended August 31st of 1,160,210 cars were the largest to date this year, against 1,116,711 in the same week of 1928 and the 25th consecutive week to show an increase over 1928. Loadings for the first 8 months this year totalling 35,334,977 cars represented an increase of 4.7% over the same period of 1928. In spite of record brokers' loans, rates for money continue relatively easy, indicating no shortage of funds for all legitimate purposes, and a reflection, perhaps, of the conviction among corporations, wealthy individuals and others than their surplus funds may be safely employed in loans to brokers secured by Stock Exchange collateral even on the basis of present levels of prices. In the light of such a credit situation and the continuation of satisfactory business conditions, we continue optimistic on the better grade of securities, whose earnings trend and outlook are favorable, particularly the railroads and coppers.

Woodbridge & Day solicit conservative margin accounts

Bond Market, Cont.

(Continued from page 279)

the 10th of the month to 92.04 by August 26th followed by high grade rails which fluctuated 1.21 during the month. Industrials and public utilities fluctuated .65 and .66 respectively within the month. New bond offerings in August were the lowest for any month of the year, $129,678,000 for the month comparing with $242,092,000 for July, $344,697,000 in June and an average for the 8 months of $284,858,000. Fisher's Commodity Index indicated a downward trend, 97.3 compared with 98.6 in July, 97.0 in June and 98.2 as an average for 1928. The Federal Reserve statement of September 11th showed a slight increase in reserve ratio, 73.7% against 73.2% a week ago, 74.6% a month ago, and 68.0% a year ago, with gold reserves of $2,971,735,000, up $28,367,000 from a week ago, and $342,789,000 greater than a year ago. Total bills discounted of $972,927,000 were down $73,089,000 from a week ago and down $96,319,000 from a year ago, while U. S. securities held increased $10,037,000 and bills bought in the open market increased $39,313,000 for the week. These changes indicate some degree of Federal Reserve relief to the money market, but until more definite ease is in prospect, bond prices may be expected to hold around present levels.

ENGINEER'S PUBLIC SERVICE

ENGINEERS PUBLIC SERVICE joins under a single ownership and under able management, groups of properties well diversified geographically, the major groups being in Texas, Virginia and around Puget Sound. Management ability is indicated by the awarding of the Charles A. Coffin Foundation 1928 gold medals for the greatest contribution to the development of light and power service and of electric transportation service to Puget Sound Power & Light and Virginia Electric and Power respectively. For the year ended July 31, 1929, gross of the operating companies increased to $49,035,998, up 7.3% from the previous year, while net operating revenue increased 9.6%. Net per common share on the average number of shares outstanding during each twelve month period increased still more rapidly from $1.33 a year ago, to $2.62 for year ended July 31, 1929, these figures being after exceptionally heavy depreciation and maintenance charges, and in spite of earnings of Puget Sound properties being retarded this spring by severest water deficit in the history of the weather bureau. Growth of gross and net has been exceptionally rapid in the Texas properties, with continuance promised by growth of the territory and such new contracts as with recently built oil refineries and the new Nichols Copper Company refinery. Steady growth of all the operating companies promises to continue, and further improve the earnings for the common stockholder.

TIMKEN ROLLER BEARING

INCREASING demand for the high quality steel which has contributed substantially toward placing **Timken Roller Bearing** in its present dominant position in its field, and growing sales of bearings, required an expenditure in 1928 of $8,300,000 for additional and improved facilities, with $4,500,000 of further expenditures contemplated for 1929. Thirty-five of the forty principal makes of motor cars in this country use Timken bearings. 116 steam railroads and 26 electric railroads are now using Timken bearings on rolling stock, some of the Timken equipped passenger cars having operated satisfactorily more than 400,000 miles. Expanding industrial use of Timken bearings includes not only machine tools and motors but also heavy service such as steel mills, cement and sugar machinery, printing presses, etc., where anti-friction bearings were formerly thought possible. 1928 marked further foreign expansion with the formation of French and German manufacturing companies, these, as well as British Timken, Ltd., controlled by the American company. Earnings have expanded steadily from $2.42 per share in 1924 on the present common shares to $3.98 in 1927 and $13,730,145 or $5.71 in 1928. For half of 1929 net was $3.51 per share, against $2.66 a year ago. The year-end balance sheet showed exceptional strength, with cash and marketable securities alone of $17,632,000, against current liabilities of only $4,467,000. Aggressively continuing the development of the railroad and industrial field, in addition to continuance of its expansion in the automotive field and as a high quality steel producer, the future should see continued growth of Timken's earning power.

BETHLEHEM STEEL

BETHLEHEM STEEL, second largest steel enterprise in the world, is completely integrated from raw materials to a broad line of steel products, and extensive finished products such as engines, machinery and tools, ships, and passenger and freight cars. In the past five years $157,000,000, largely from income and reserves, was expended on an extensive program of modernization and rebuilding, which has resulted in radically lowering the cost of producing steel. Proceeds of 600,000 common shares offered to stockholders in May this year (about $50,000,000) are to be used for further development, including the expansion of certain facilities where demand has exceeded capacity. Earnings had moved irregularly forward to $6.52 per common share in 1928, while in the first half of 1929 they increased to $7.21 per present common share, against $2.51 a year ago on the then smaller number of common shares. Second quarter operations reached 100.6% of capacity, and while rate has since declined, an excellent volume is promised for the remainder of the year. The offer of 800,000 additional common shares at $110 will bring in enough to cut approximately in half the funded debt of the company including subsidiaries, thus greatly improving the capital structure and position of the common shares.

Woodbridge & Day solicit conservative margin accounts

BANGOR & AROOSTOOK

BANGOR & AROOSTOOK, operating 614 miles of main line and branches in northern and eastern Maine, from the seacoast at Searsport at the mouth of the Penobscot, northerly to the Canadian border, is notable among New England roads for originating a large part of its traffic from territory served. Although known as the "Potato Road," with about one-third of its tonnage from that source, its traffic diversity is steadily increasing, particularly in pulpwood, paper, and coal. Roadbed and equipment are excellently maintained and steady improvement of operating efficiency indicated by rise of average gross tons per train from 838 in 1921 to 1047 in 1928, and decrease of coal consumption per thousand gross ton miles from 172 lbs. in 1921 to 135 in 1928. Net earnings reached their peak in 1927, with $8.41 per common share, slightly declining in 1928 to $6.94, with lighter and lower priced potato crop. For seven months of this year net was $6.37 per common share against $5.77 in the same period a year ago. August carloadings were up 5% from a year ago, and for week to September 5th they were up 69%, with potato crop moving earlier than last year. With a splendid crop promised and at much better prices, the territory and the road should prosper together, and bring net earnings well above a year ago, to the 1927 level or better. The recently authorized increase in capitalization might conceivably indicate further funded debt reduction, with stock offered to stockholders at an attractive price.

Why Insurance Stocks as a Group are a Purchase at Present Prices:

1. Insurance is one of the most popular investments today.
2. The tremendous growth of the use of all kinds of insurance assures the future growth of all the progressive companies.
3. Premiums paid in are invested in high grade securities covering a cross section in the fundamental industrial and utility fields of the country.
4. Insurance Stocks have not appreciated in value to the extent that the investments behind them have. In fact, many stocks are cheaper than at the first of the year.

We would *buy to hold,* the following:

FIRE & CASUALTY COMPANIES	No. of Shares	Par Value	Admitted Assets	Earnings Per Sh. 1928	Annual Dividend	Price about
Aetna Fire Ins. Co.	75,000	100	$59,665,904	$62.47	20	805
Boston Ins. Co.	30,000	100	24,697,126	137.96	16	1100
Continental Ins. Co.	1,500,000	10	91,655,480	8.21	2	107
Fidelity Phoen. Fire	1,000,000	10	72,865,031	10.87	2	118
Glens Falls Ins. Co.	500,000	10	21,527,957	2.90	1.60	69
Globe & Rutgers	70,000	100	98,190,645	182.38	24	1590
Great Amer. Ins. Co.	1,600,000	10	67,194,853	4.31	1.60	48½
Hartford Ins. Co.	100,000	100	92,621,326	86.33	22	1080

Woodbridge & Day underwrite sound American Securities

Home Fire Ins. Co.	180,000	100	102,797,291	52.61	20	700
Mass. Bonding & Ins.	160,000	25	19,013,461	11.23	4	220
No. River Fire Ins.*	80,000	25	25,772,402	62.44	8.50	470
Priv.-Washington	30,000	100	22,486,318	141.23	20	1100
St. Paul Fire & Marine	160,000	25	32,217,597	11.44	5	245
Springfield Fire & Mar.	200,000	25	37,023,869	19.32	4	240
LIFE COMPANIES						
Sun Life Assur. of Can.	20,000	100	488,958,706		25	3500
Travelers Ins. Co.	200,000	100	553,857,160		24	1860ex
" " Rts.						248

*With the reduction in par October 1, 1929, from $25 to $10, a 100% stock dividend is also to be paid to stockholders of record September 16th which will amount in all to a five-for-one split-up.

The Trading Department in our nearest office will gladly handle your orders.

CURRENT INFORMATION

HUDSON MOTOR

First eight months shipment 16.2% ahead of year ago and best period in company's history, being less than 15,000 units from full year 1928.

BANGOR & AROOSTOOK

Seven months surplus after charges $821,681, against $758,358 year ago. Excellent potato crop promised.

MASSACHUSETTS UTILITIES ASSOCIATES

July gross of operating companies up 9.0%, 12 months gross up 5.9% from year ago. Balance available for dividends, depreciation and reserves up 5.8% for July, 5.9% for 12 months.

NATIONAL FIREPROOFING

Six months net available for interest $512,315 or 6.27 times interest requirements. June 30 current assets $3,988,136 against current liabilities of $900,721. Plants at capacity.

AMERICAN CHICLE

Six months net $1,039,167 or $2.27 per common share against $892,391 year ago. June 30 current assets $4,012,645 against current liabilities of $944,962. Stock dividend of 15% to be paid stockholders of record September 25.

WILLIAM WRIGLEY

Six months net $5,211,990 or $2.89 per share against $4,907,162 year ago.

NORTH AMERICAN AVIATION

Six months net $1,172,080 or $.59 per share. June 30 total assets $26,373,401 including $22,365,150 cash and marketable securities.

BEECH-NUT PACKING

Six months net before taxes $1,553,242 or $3.24 per common share after estimated taxes, against $1,510,484 year ago. June 30 current assets $11,962,734 including cash and marketable securities of $1,858,965 against $714,257 current liabilities.

LEHIGH PORTLAND CEMENT

Net after taxes for year ended August 31, $3,676,051 or $4.81 per common share against $3,814,393 year ago.

AMERICAN HOME PRODUCTS

Six months ended June 30 net $1,597,693 or $2.67 per share against $1,345,243 in first half of 1928.

IRVING AIR CHUTE

First six months net $251,689 or $1.20 per share. July net $55,023. Unfilled orders 36% greater than 1928 entire output. New types of parachutes being developed.

CONSOLIDATED FILM

Eight months ended August 31 $1,597,090 or $5.32 per preferred share and $2.28 per combined preferred and common share on a participating basis against $977,198 year ago. August net $224,327, a new record.

NEW HAVEN

July net after charges and preferred dividends $1,380,590 or 87c per common share against $830,209 or 53c per share year ago. Seven months net $7,328,977 or $4.66 per share against $3,061,485 or $1.95 per share year ago. Stock placed on $5 annual dividend basis with payment due October 1.

HOLLAND FURNACE

Six months net $540,641 or $1.16 per common share against $278,785 year ago. June 30 current assets $12,413,993 against current liabilities of $2,058,726.

PHELPS DODGE

First six months net before depletion $4,481,497 or $2.24 per share. Only 55% of output sold during period and balance inventoried at cost. Property betterments together with construction of new plants should bring about still lower production costs.

EASTMAN KODAK

Stockholders of record August 30 were offered one new share of common at $150 for each ten shares held. Rights expire and full payment due September 28th.

BUCYRUS-ERIE

Bucyrus-Erie offering rights to subscribe to new common shares at $25, one for each ten held, proceeds for the purpose of participating in formation of Ruston-Bucyrus, Ltd., to combine excavator business of Ruston & Hornsby, Ltd., of Lincoln, England, with foreign business of Bucyrus-Erie.

The statistics in this circular are obtained from sources which we believe to be accurate. Opinions expressed herein are given as such.

CHAPTER XII

The Method of Auditing a Stock Brokerage Firm

AUDITING A STOCK BROKERAGE FIRM

The auditing of the books of a Stock Brokerage Concern is usually conducted at the end of the month at which time the statements are being forwarded to customers.

In anticipation of an audit the head bookkeeper will instruct his assistants to make a statement for every account on the customers ledger and to have all the other accounts properly ruled off and brought down showing plainly the security and money balances.

An audit of this character verifies all security positions, the location of securities, and all open transactions as well as the money balances.

The routine for this work is as follows:

1. Count all securities that are actually in the office, i.e., in the box, safekeeping and private envelopes.

2. Verify petty cash on hand with ledger balance. Reconcile bank balance.

3. Count Federal and State transfer stamps and verify with balance in ledger.

4. Confirm all securities that are pledged as collateral in loans with Banks and Trust Companies.

5. Confirm all securities that are in transfer.

6. Confirm with other brokers all fail to receive and fail to deliver items, also stocks borrowed and loaned.

7. Confirm all "when issued" contracts.

8. Mail all statements received from the bookkeeper to the firm's customers together with a form showing the customers money balance and position, and request the customers to verify this form and return it.

9. Balance each security. The total amount of the customers' long securities and the "fail to deliver"

and "stock borrowed" items should equal the total of the securities in the box, safekeeping, transfer, bank loans, failed to receive and stock loaned items, and customers short position.

If every issue of stocks and bonds balances, then the auditor knows that all securities are accounted for and the location of each is known.

10. Check the stock record, using the new record built up as the result of the audit.

11. Cash balance.

12. Final report.

Counting Securities

The work of counting securities must be handled in such a way as not to interfere with the operation of the office. Assuming that the audit is to be made on the 31st of the month, the auditors usually start counting the safe keeping and inactive boxes on the morning of the 30th or 31st. If there are any withdrawals, or deposits of securities affecting these boxes during the operation of counting, a proper record should be kept.

As soon as the remaining securities are available after the close of business on the 31st, the auditor should have a large force of men on hand to accomplish as much as possible before the boxes are taken to the vault. When the boxes are relinquished that night they are sealed until the counting is resumed the next morning which should be as early as possible.

It will be found by using this method that a complete count can usually be made before the securities are required by the Cashier's Department. However, in any case, the work of counting must be finished before any changes are made.

The securities must be properly listed with full title of Company giving details of classification; such as, Common, Preferred, Voting Trust, etc., Rate and Maturity of Bonds, and any other data which would properly identify the security. Listings are made under the heading of: "Box," "Safekeeping" and "Private Envelope."

Petty Cash and Bank Balance

It is the usual custom to set up a debit in the ledger covering a specified amount of Petty Cash. Assuming that the ledger shows a debit of $500 in the Petty Cash Account this amount, either in cash or Charge Slips, should be in the cash box. This is verified by the Auditor.

It is sometimes necessary to question some of the charge slips. For instance, there may be several I. O. U's. signed by employees against their salary. It is then necessary to ascertain the firm's policy in matters of this kind.

The Bank Statements, together with Vouchers or Cancelled Checks, should be given in their original mailing packages to the Auditors. The customary Reconciliation is then made and the Final Balances checked with the Bank Credits shown on ledgers and blotter. Any difference must, of course, be followed through and after a satisfactory explanation must be properly adjusted to bring the books and Bank Statements into balance.

Federal and State Transfer Stamps

An actual count of the stamps on hand is made and verified with Ledger Debit Balances. Usually some small differences will be found in these accounts which should be noted. Any large differences must of course be checked out.

Verifying Collateral in Loans

The auditor will obtain the complete record of loans from the loan clerk and then verify the amount of loans and the collateral by confirming with all banks, trust companies, etc., in the following manner:

Seaboard National Bank, Oct. 31st, 1929.
New York.

Our auditors, Jonas, Camp & Co., are now making their regular examination of our accounts as at the close of business on the above date and in connection therewith they desire to have you verify the correctness of loan summarized below.

Your prompt compliance with this request by signing at the bottom of this form will be appreciated.

A stamped addressed envelope is enclosed for your convenience.

Very truly yours,
Blank & Company.

We are borrowing from you $100,000 against the following collateral:

200	General Electric
300	General Motors
200	Consolidated Gas
200	Continental Baking "a"
200	Radio
200	U. S. Steel
100	Remington Rand
100	Shell Oil.

The above is correct.
Signed.....

DIFFERENCES, IF ANY, SHOULD BE TAKEN UP DIRECTLY WITH THE AUDITORS.

Checking Securities in Transfer

The transfer records are given to the auditor who compiles a list of all securities in transfer.

From an auditing viewpoint there are many opportunities for deception in this part of the records and it is most important therefor to use every precaution in this department.

As explained under the chapter devoted to transfers, a window ticket or receipt is usually given when securities are deposited for transfer. However in some cases no receipt is given.

There are various systems in use, one of which is to accept the window receipt at its face value and in the absence of a

receipt to write to the transfer office asking for confirmation that certain securities have been deposited. As the stocks are received back from transfer the auditor checks them off against his list until all items have been returned and accounted for.

Some auditors will not accept the window receipt as being evidence that securities have been deposited for transfer, but will write for confirmation on every open item. Most transfer offices are now making a charge of $1.00 for each confirmed transfer. As the securities are received back they are of course properly recorded by the transfer clerk and the auditors.

In the opinion of the writer the best system is to take possession of the window receipts and a record of all securities in transfer. An assistant will then personally present the receipts and himself receive the stock. He will also call at the transfer office and receive securities for which no receipts have been issued.

In this way the auditor is certain that the records are right and that no fraud or deception has been practiced.

The letter written for confirmation is usually along the following lines:

Oct. 31st, 1929.

Registrar & Transfer Co.,
New York.

Dear Sirs:

Our auditors, Jonas, Camp & Co., are now making their examination of our accounts as at the close of business on the above date and in connection therewith, they desire to have you verify the correctness of the items listed below.

Your prompt compliance with this request by signing the certificate at the bottom of this form will be appreciated.

A stamped addressed envelope is enclosed for your convenience.

Very truly yours,
Blank & Company.

We have deposited with you for transfer,
Oct. 29/29 100 U. S. Steel
Oct. 30/29 100 General Motors

The above is correct.
Signed.....

DIFFERENCES, IF ANY, SHOULD BE TAKEN UP DIRECTLY WITH THE AUDITORS.

CONFIRMATION OF FAILED ITEMS, STOCK LOANS AND WHEN ISSUED CONTRACTS

All open items with brokers should be confirmed in the following way:

Oct. 31st, 1929.

Blue & Company,
New York.

Dear Sirs:

Our auditors, Jonas, Camp & Co., are now making their examination of our accounts as at the close of business on the above date and in connection therewith they desire to have you verify the correctness of the items listed below. Your prompt compliance with this request by signing the certificate at the bottom of this form will be appreciated.

A stamped addressed envelope is enclosed for your convenience.

Yours very truly,
Blank & Company.

				Dr.	Cr.
We are failing to receive from you	100	U. S. Steel	175		17500
We are failing to deliver to you	50	Gen. Motors	62	3100	
We are loaning to you..	100	Amer. Can	110		11000
We are borrowing from you.....	200	Radio	50	10000	
We have bought from you.....	100	Baldwin when issued	36	3600	
We have sold to you....	100	Marine Mid. when issued	42		4200

The above is correct.
Signed.....

DIFFERENCES, IF ANY, SHOULD BE TAKEN UP DIRECTLY WITH THE AUDITOR.

In actual practice there would be six separate letters of confirmation sent out on these items as the auditors handle each account, and each side of these accounts separately.

Confirmation With Customers

As the statements are received from the bookkeepers the details must be listed on large columnar sheets for future use in building up the security position of the firm.

Customer	Debit	Credit	Long	Short
Harry Jones	22500.62	10500	50 U.S. Steel	100 Amer. Can
			100 Genl. Motors	
			10 Beth. Steel 5's 1930	
Louis Campbell	4300.		100 Radio	
			100 Pac. Gas.	
John Morris		15600		100 Davison Chem.
				100 Beth. Steel

After the statements are listed they are mailed by the auditors to the customers, accompanied by the following form letter:

October 31st, 1929.

Mr. Harry Jones,
170 Maiden Lane,
New York.

Our auditors, Jonas & Camp Co., are now making their regular examination of our accounts as at the close of business on the above date and in connection therewith, they desire to have you verify the correctness of the enclosed statement of your account with respect to the security position and money balances at that date as summarized below. Your prompt compliance with this request by signing the certificate at the bottom of this form will be appreciated. A stamped addressed envelope is enclosed for your convenience.

Very truly yours,
Blank & Company.

Date	Long	Short	Description	Dr.	Cr.
Oct. 31/29	50		U. S. Steel	22500.62	
	100		Gen'l Motors		
	10 M		Beth. Steel 5/1930		
		100	American Can		10500

The statement of my account as summarized above is correct.
Signed.....

DIFFERENCES, IF ANY, SHOULD BE TAKEN UP DIRECTLY WITH THE AUDITORS.

It will be found that a great many customers neglect to reply and as the audit is not complete unless confirmations are received, second summary of the statement should be sent by registered mail, stamped with the following notice:

SECOND REQUEST FOR CONFIRMATION

Sent by Registered Mail
Return Receipt Demanded
In accordance with the provisions
of our Employees Insurance Policy

PLEASE EXAMINE AND REPLY AT ONCE

Your cooperation would be greatly appreciated.

This will usually accomplish its purpose but letters must be sent until all confirmations are returned properly signed.

Reaching a Security Balance

After listing the customers' statements the auditor is in a position to balance securities.

Consolidating all records, which would include box, safekeeping, transfer, loans, fail to receive, stocks loaned, stocks borrowed, fail to deliver and customers and firm positions, a recapitulation would be made of each security, as follows:

Long	U. S. Steel	Short	
Harry Jones	100	Box	200
E. W. Kohler	600	Safe-keeping	300
John Henley	325	Transfer	300
Martha Young	220	Loan Guaranty Trust	200
		Loan Hudson Trust Co.	100
Fail Deliver	100	Fail Receive	145
Stock Borrowed	200	Stock Loaned	100
		Raymond Brown	200
	1545		1545

A sheet similar to the above would be compiled on every security appearing on the books, although all of the general ledger accounts such as stock borrowed, failed to deliver, etc., would not necessarily be involved. For instance, an inactive stock might be balanced as follows:

NATIONAL ACME

Long		Short	
John Gould	100	Box	100

OR

AMER. CAR FOUNDRY PREFERRED

Long		Short	
Edward James	75	Fail to Receive	75

Taking the recapitulation of U. S. Steel as an example, it will be noted that 1545 shares appears on both long and short sides. Analyzing it further, customers are long 1245 shares and short 200 shares, the difference showing up in the general ledger account.

Two items on the long side, namely, Fail to Deliver 100 shares and Stocks Borrowed 200 shares, may be questioned as it would be asked, "Why are you failing to deliver 100 shares and borrowing 200 shares while there are 200 shares in the

box, 300 shares in loans and 300 shares in transfer?" The answer would probably be that the 200 shares in the box were required for some special purpose and that it would be better not to substitute in the loans in view of the fact that 300 shares in transfer would be used to clean up these two items.

As a matter of fact, the U. S. Steel recapitulation was made in this manner to show every account that might possibly appear on the auditors' security balance.

It is unlikely that each security will balance on the first take-off as it is a practical certainty that clerical errors will have been made since the last audit. These errors must be rectified so that all security items are brought into perfect balance.

While it is not a part of the auditor's work to check the stock record, it has been found very practicable to give these security recapitulations to the stock record clerk to correct any errors that may have been made in that department.

Cash Balance

For the purpose of a cash balance and final report all accounts should be segregated as follows:

CUSTOMERS

Debit balances against long securities (fully secured).
Debit balances against long securities (partly secured).
Credit balances against short securities (fully secured).
Credit balances against short securities (partly secured).
Debit and credit balances against long and short positions.
Unsecured debit balances.
Free credit balances.

GENERAL LEDGER BALANCES

Loans, bank balances, fail accounts, stocks loaned, stocks borrowed, commissions, interest, taxes, furniture and fixtures, firm trading accounts, error accounts, suspense account, dividend account, brokerage accounts, etc.

PRIVATE LEDGER

Partners drawing accounts, capital account, profit and loss account.

After securing a money balance, the auditor is now prepared for the final report.

Final Report

The final report should be made up in such a manner as to give the members of the firm a clear conception of the condition of their business.

Comment should be made on expense accounts when necessary and on unsecured and partly secured accounts. Clerical departments which are not functioning properly should also be criticized, with suggestions for improvement.

The report is usually made up in the order mentioned under "Cash Balance," giving the debit and credit balances, security position, market value and equity. This allows proper analyzation of each account and discloses insufficient margin, listed under partially secured accounts.

Further comment should follow regarding safe-keeping. If an account is over-margined a portion of the securities therein should be taken from the margin account and placed in the safe-keeping department.

The report is completed with a balance sheet and profit and loss statement which usually are made up along the following lines:

BALANCE SHEET Oct. 31st, 1929

ASSETS	LIABILITIES
Current Assets	Current Liabilities
Cash on hand	Time Loans
Cash in banks	Call Loans
Revenue stamps (State & Federal)	Acct. Payable (Customers short)
Accts. Receivable (Customers)	Acct. Payable Customers
Firm Investments	Accrued Expenses
Stocks Borrowed	Dividend Account (Unclaimed)
Fail to Deliver	Stocks Loaned
Money Loaned	Fail to Receive
Accrued Interest	Accrued Interest
Accrued Brokerage	Accrued Brokerage
Total Current Assets	Total Liabilities
	Capital

Other Assets

Seats (N. Y. Stock Exchange, N. Y. Curb
Deposits with Stock Clearing Corp.
Furniture & Fixtures ——
Less depreciation ——

Total Assets | Total Liabilities & Capital

Profit and Loss Statement

The most important items of income for a brokerage concern are commissions and interest received from customers. However, many large Stock Exchange Houses participate in security underwritings and maintain extensive trading departments which effect the profits to a very great extent. Profit and Loss Statements are usually set up as shown below:

PROFIT AND LOSS

Commissions .....
Interest .....
Firm Trading Accts. .....
Underwritings, participations, etc. .....
Total Income .....

Rent .....
Salaries .....
Stock Exchange Expense .....
Clearing House Expenses .....
Insurance .....
Tickers .....
Repairs .....
Depreciation .....
Miscellaneous Expenses .....
Statistical Service, etc. .....
Total Expenses .....

Net Profit .....

CHAPTER XIII

Runners Department

RUNNERS DEPARTMENT

The personnel of this department consists of a head runner, and as many messengers as may be required to handle the work.

Location in Office

The head runner remains in the office at all times. He is usually situated in a cage of his own in close proximity to the cashier's cage, so that deliveries, transfers, etc., may be passed over to him conveniently.

Inasmuch as the head runner is the temporary custodian of securities of great value no one except members of the firm and employees in the cashier's department should be allowed access to the head runner's cage.

Qualifications

Owing to the nature of his duties the head runner must be greatly experienced in the ways and customs of the street, the rules for delivery, Clearing House Rulings, addresses of all security firms, transfer offices, banks, etc.

To operate his department in the most efficient manner the work must be systematized so that the head of the department will at all times know the name of the messenger delivering any particular item, the exact value of same, destination, time of departure from office, time of return, etc. A large properly ruled sheet, showing this information, is used for this purpose.

Duties

Briefly, the duties of the head runner involve the handling of the following classes of work:

Obtaining signatures on comparisons and fail notices.

Handling all matters pertaining to exchange of Clearing House tickets, demands, sheets, etc., both Stock Exchange and Curb.

Deliveries to Central Delivery department.

Pickups from Central Delivery department.

Deliveries against receipt, such as three-way items.

Deliveries against payments.

Certification of checks.

Deposits.

Making loans and substitutions.

Deliveries to customers against receipt or payment.

Putting securities in transfer.

Receiving securities from transfer.

Proper routing of all outgoing items so that one messenger can cover a maximum amount of ground.

Having messengers on hand to take care of any pressing matters or emergencies that may develop.

In addition to these well defined duties the head runner is subject to requests from the entire organization, for messengers, for personal favors, lunches, etc.

It must not be assumed from the above that the head runner actually makes loans, etc. He is simply the intermediary between the cage, transfer department, clearing house department and the brokers, banks, transfer offices, etc. All deliveries, loans, comparisons etc. are given to him in complete shape and his work starts from that point.

The day's work usually starts with the distribution of fail notices and comparisons to the messengers, who must bring them back properly stamped or with an explanation of refusal to stamp.

Fail Notices

Fail notices signify that certain securities were not received or delivered on the previous day. If the item is correct it will be stamped. Fail notices must be delivered on or before ten o'clock of the day on which they are due, otherwise, they will in all probability be refused.

Comparisons

Comparison work involves the making of comparisons of transactions between brokers for the purpose of checking the purchase or sale and insuring the accuracy of the transaction.

Comparisons show the details of a transaction made the previous day, giving number of shares or bonds, description, price, and any other condition surrounding the transaction. They are issued in duplicate form, the original being returned to the issuing house. Comparisons may be made at any time during the day.

Comparisons are not usually used in Stock Exchange dealings, Curb Dealings or odd lot dealings, as these trades are properly compared through the Clearing House or odd lot sheet. Their principal use is for unlisted securities.

Deliveries

Immediately after 10 o'clock, the head runner begins to receive outgoing deliveries. Deliveries to the Central Delivery Department will be discussed first.

Securities are pinned to a special form made up in triplicate. The first copy is retained by Central, the second copy, which is a receipt, is returned to the delivering broker, while the third copy is sent by Central to the receiving broker, together with the securities. Delivery is made to Central by a messenger who is properly identified by photograph and pass.

Periodically during the day messengers are sent to the Central Delivery department to pick up any securities which may have been delivered by other brokers.

The delivery of securities on the three-way sheet are made to the receiving broker instead of to the Central Delivery Department. No money is paid, the receiving broker merely signing a receipt for the securities. The receipt is then sent to the Clearing House where the delivering broker receives proper credit. Such receipts must be in the Clearing House each day before 3:45 P. M.

Deliveries, resulting from the Curb Clearing House sheet and unlisted trades are delivered against payment. The messenger delivers the securities, receives a receipt pending examination of the securities and the preparation of the check, and returns later for the check. In the meantime the receipt remains in the custody of the Head Runner.

Securities are delivered to customers against receipt or payment, but the messenger waits for the check if payment is to be made.

As soon as practicable the head runner will start collecting the checks which are due. To obtain these the messenger will present temporary receipts and receive payment.

Certification of Checks

Judgment must be used in the certification of checks. It is the usual custom not to certify checks of less than $5,000 drawn by Stock Exchange Members. However in making deliveries to small unlisted houses and individuals, it is good policy to certify all checks. Certification must be made before 3:15 P. M.

After checks are verified as to the amount in the cashier's department, the deposits are made up and given to the head runner.

Loans and Substitutions

Loans are also passed through the runner's cage. Securities are listed on a large special envelope, showing the name of the lending bank, amount, interest, etc. The collateral is then delivered by messenger who receives a bank cashier's check for the amount, or credit is placed in the pass book in the event of the firm having an account with the bank. Cashier's checks do not require certification.

Another early morning activity is substitutions in loans. The Loan Clerks make up the substitution forms as explained in the chapter on the Cashier's Department under the work of the Loan Clerk. The forms and securities are sent to the banks by the head runner, the messenger returning with the withdrawn collateral.

Transfers

Many transfers are made during the day. The head runner receives the certificates from the transfer clerk, examines them to see if the names are properly filled in, and checks up the revenue stamps. The stock is then sent to the transfer agent, which may be a bank, the Company itself or an institution which specializes in corporate work. A window ticket or receipt for the stock is usually given to the messenger. Stock going to transfer to be received back the following day after 1:30 P. M. must reach the transfer agent before 12 o'clock

noon. Stocks going to transfer after 1:30 P. M. and up to 2:15 P. M. will not be received back until two days later.

On the date that books close for dividends, stocks affected by such closing dates may be delivered to the transfer agent up to 3:00 o'clock.

At 1:30 P. M. each day the head runner distributes the window tickets received the previous day to the runners in order that they may pick up transferred stock. This must be done as quickly as possible as many of the stocks will be required for delivery before 2:15 P. M. that day.

Clearing House

After the foregoing work is completed the runners are used in exchanging Curb and Stock Exchange clearing house tickets. Tickets giving details of each trade are exchanged at the Clearing House. Receive tickets are exchanged for delivery tickets and vice-versa. These tickets are really a form of contract certifying that one house will receive a certain amount of stock and that the other will deliver it.

If tickets are made out too late to be exchanged at the Clearing House, they are exchanged by hand, that is, by direct delivery from one house to another. This is called a 'demand.' and in such cases the broker exchanging a delivery ticket will demand a receive ticket and if exchanging a receive ticket will demand a delivery ticket.

One or two runners are always kept on hand after the exchange of tickets, to make delivery of sheets to the Curb and Exchange Clearing Houses.

Part II

What Investors Should Know

Terms and Definitions

Security Symbols—New York Stock Exchange

Security Symbols—New York Curb Exchange

What Investors Should Know

WHAT INVESTORS SHOULD KNOW

Throughout the author's experience in Wall Street, covering a period of twenty-five years, he has had daily evidence of the fact that a large proportion of traders are extremely negligent in the matter of properly examining their monthly statements. It is a fact that statements in the majority of cases are not examined at all, due either to carelessness, lack of understanding, or through a bland confidence in the accuracy of the broker.

While brokers put forth every effort to render statements correctly, errors involving interest, commissions, taxes, dividends, coupons, etc., will occur more or less frequently, and will seriously affect the status of the customer's account.

A trader, upon receiving his statement, should consider it seriously and take the necessary time to examine it thoroughly. The method to employ and the items to consider in this examination are, as follows:

1. Refer to the previous month's statement, and check the money balances and security balances brought down on the current statement.
2. Verify the position at the end of the current month.
3. Check all additions.
4. Check interest and rate of interest.
5. Take all notices of purchases and sales, together with all debit and credit notices, and check these item for item against the statement.
6. If you have not already examined such items as commissions, taxes, accrued bond interest, etc., from bills or notices received during the month, this should be done at this time.
7. The frequency of dividend errors, as discussed elsewhere in this book, makes it desirable to closely scrutinize all security holdings to determine if any mistakes have been made in this connection.

Traders, when receiving their statements, are most naturally interested in ascertaining the equity in their accounts, and to illustrate the manner in which this is done we are presenting below two examples which show how this is figured.

Example No. 1: Reflects a customer's dealings in long stock only.

March 31st—Balance $45,025.00

Long 100 U. S. Steel
100 U. S. Realty
100 American Can

Long stock figured at market March 31st.

100 U. S. Steel	$12,800.00
100 U. S. Realty	6,350.00
100 American Can	33,400.00
	$52,550.00

Your equity would be the difference between the market price of your long stock, which is $52,550.00 and the balance due the broker March 31st, $45,025.00, which shows an equity of $7,525.

Example No. 2: Reflects a customer's dealings in long and short stock.

March 31st—Balance $40,550.00

Long 100 U. S. Steel
100 U. S. Realty
100 American Can

March 31st—Short

100 U. S. Rubber	7,700.00
100 Wabash	4,500.00

Long stock figured at market March 31st:

100 U. S. Steel	$12,800.00
100 U. S. Realty	6,350.00
100 American Can	33,400.00
	$52,550.00

Your equity would be the difference between the market price of your long stock which is $52,550.00 and the balance

due the broker on March 31st, $40,550.00 which shows an equity of $12,000.

In figuring equity where you are long and short, disregard your short stock as shown above, 100 United States Rubber $7,700 and 100 Wabash $4,500, as these items are arbitrarily charged to your account at the market price before the balance is brought forward.

All statements should be retained for future reference and income tax returns.

A customer in one of the houses with which the author was at one time connected, had been trading actively for six or seven months. One day he came to me and said that although his own records showed that he had made money, he had just discovered quite a difference between his figures and those of the house. After spending two or three evenings checking back the monthly statements against his records it was found that he had neglected to take into consideration the interest charges on purchases which had not been closed out. Although he had calculated the interest on all his closed trades, he had not taken into consideration the interest charged on his open trades. Many of his open trades had been made six or seven months before, and showed, with the interest charged, a large loss at the market price.

Always refigure all your commission, tax and interest charges.

The following examples represent the two different types of statements that are used in Wall Street.

Example No. 1

J. Johnson, in Account with Otis & Co.

Dr.					Cr.				
Date		Amount	Days	Interest	Date		Amount	Days	Interest
July 2	100 Amer. Car & Fdy. 102	$10,225.00	29	$ 49.42	July 1	Check	$ 5,000.00	30	$ 25.00
4	100 Amer. Smelt. & Ref. 107	10,725.00	27	48.26	15	100 Coty 60	5,978.50	16	15.94
10	100 Coty—59	5,917.50	21	20.71	25	100 Amer. Car & Fdy. 101	10,071.00	6	10.07
20	100 Eaton Axle 60½	6,067.50	11	11.12	28	100 Eaton Axles 62	6,178.50	3	3.09
26	100 Texas Corp. 62	6,217.50	5	5.18	31	Balance Interest 6%			80.59
31	Int. 6% plus 1% Carrying Charges.	94.02				Balance	12,018.52		
		$39,246.52		$134.69			$39,246.52		$134.69
July 31	Balance	12,018.52							

Long
100 Amer. Smelt. & Ref.
100 Texas Corp.

In using this form of statement the interest is figured from the date on each debit and credit item to the end of the month. To illustrate: On the foregoing example showing 100 American Car and Foundry bought on July 2d, there is charged 29 days interest, and on the sale of the same stock on July 25th a credit of 6 days interest is shown. Interest is always figured at the rate of 6 per cent per annum and at the end of the month the balance of interest is changed to conform with whatever rate that is to be charged. In the foregoing example the balance of interest that the customer would owe at 6 per cent is $80.59, which represents the difference between the debit of $134.69 and the credit of $54.10. The amount of $94.02 which is charged as of July 31st is at the rate of 7 per cent for the month. This statement will show that as of July 31st the customer owes the broker $12,018.52, and is long 100 American Smelters and 100 Texas Corporation.

Example No. 2

J. Johnson, in Account with Otis & Co.

Date.	Bt.	Sold		Price	Dr.	Cr.	Balance Dr.	Balance Cr.	Days	Debit	Credit	Short
July 1			Check			$ 5,000.00	$	$5,000.00	1	$	$ .83	
2	100		Amer. Car & Fdy.	102	$10,225.00		5,225.00		2	1.74		
4	100		Amer. Smelt. Ref..	107	10,725.00		15,950.00		6	15.95		
10	100		Coty	59	5,917.50		21,867.50		5	18.22		
15		100	"	60		5,978.50	15,889.00		5	13.24		
20	100		Eaton Axle	60½	6,067.50		21,956.50		5	18.30		
25		100	Amer. Car Fdy...	101		10,071.00	11,885.50		1	1.98		
26	100		Texas Corp.	62	6,217.50		18,103.00		2	6.03		
28		100	Eaton Axle	62		6,178.50	11,924.50		3	5.96		
			Int. 6% plus 1% carrying charges..		94.02					$81.42		
			Balance			12,018,52			Credit	.83		
					$39,246.52	$39,246.52				$80.59	= 6%	
										13.45	= 1%	
										$94.02		
July 31			Balance		$12,018.52							
			Long									
	100		Amer. Smelt. & Ref.									
	100		Texas Corp.									

In this statement the interest is figured on the balances for each day. This is a duplicate of the transactions shown in Example No. 1 and it will be noted that the result is the same although the interest is figured differently.

Dividends (Cash)

There are thousands of corporations in the United States paying dividends, and the routine work involved in keeping the records with respect to such payments in financial houses is at times quite heavy. Because of this situation errors are frequently made in the making of dividend payments. Moreover, it sometimes happens that it is difficult to obtain dividend information quickly concerning a particular company through the ordinary channels.

At times it happens that brokers, ignorant of the fact that a dividend has been declared on a stock, often do not transfer it, when purchased, to their own or client's name and this often results in the dividend being sent to the person or firm in whose name the stock is registered, but who no longer owns it. Unless this mistake is discovered by the broker or client, it will continue indefinitely, and the dividends will be sent to the wrong person or firm.

In the case of listed, or active and well known unlisted stocks where dividend information is easily available, such errors are rare. In view of this general situation the matter of checking dividends is of the utmost importance, and it is suggested that the trader or investor make every effort to obtain accurate dividend information on the securities in which he is interested.

If the dividend announcements published in the newspapers do not contain the information you require, your broker will gladly supply it, or give you the names of statistical bureaus which publish detailed dividend information.

In the event that your broker is carrying an unusually inactive stock for you on which you can get no dividend information through the regular channels it is advisable to write, or have your broker write, direct to the secretary of the corporation whose stock you hold.

Every brokerage house has what is termed a "dividend account" for recording dividends received by them, to which they are not entitled. The aggregate of all these accumulated

dividends runs into millions of dollars. Much of this enormous sum is lost by traders, and by investors throughout the country. The broker receives this money in excess of what is due him and places it in the Dividend Account awaiting claim. As evidence of the fact that this money never reaches its rightful owners, the records show that the greater proportion of these dividends remains unclaimed.

It is not, of course, the intention to place the responsibility for these losses on the brokers. It is a fact, however, that even with elaborate checking systems, many mistakes do occur in brokerage offices, and it is therefore desirable that the investor and trader know enough about conditions in order that he may take such steps as may be necessary to promptly correct any mistakes that occur.

In Wall Street language there are terms known as "Date of Trade" and "Date of Clearance". The "Date of Trade" designates the day on which the trade is actually consummated, and the "Clearance Date" designates the day on which the item appears on the broker's books. For example, a purchase of 100 shares of stock made on Tuesday, February 23rd, would appear on the broker's books under date of February 24th. If February 24th is a holiday, the clearance date would be the next full business day.

There are no clearances on Saturday, and therefore trades made on a Friday or Saturday clear on Monday, or on Tuesday in case Monday happens to be a Stock Exchange holiday.

An easy rule of thumb method for recalling the general practice with respect to clearances is to keep in mind that all regular trades made on any date are cleared the next full business day.

The dates mentioned hereafter in this explanation of dividend work refer particularly to the "Clearance Date" unless purchase or sale date is specifically mentioned. This practice is also followed by brokers in their reference to dates.

When a corporation announces that a record will be taken of all stockholders, for the payment of dividends on a specific date, the Stock Exchange then rules that the stock will sell "ex-dividend" on the date set by the corporation, unless the stock carries what is known as a "Due-Bill". (See chapter captioned "Due-Bills").

The terms "Ex-dividend" means dividend deducted. There-

fore, if a stock is quoted "ex-dividend" February 20th, clearing the next day February 21st, the purchaser of the stock on February 20th is not entitled to this dividend. Stockholders of record selling long stock on February 20th, to clear February 21st, will receive the dividend.

A case which will serve to illustrate how one kind of a mistake is made in the matter of dividend payments is given below.

An investment house owning 100 shares of Bush Terminal preferred stock, which was registered in their name, sold this stock in the latter part of 1921. This firm, however, still continued to receive, along with the dividends on its other security holdings, the dividends on this stock, and it was not until the latter part of 1925, about four years later, that the mistake was discovered and a claim entered by the owner for the past dividends.

In attempting to adjust this matter it was developed that the new owner had failed to register the stock in his name, and in this case, in view of the great lapse of time involved, it was fortunate that the stock was registered in the name of a reputable broker. In the collection of claims for past dividends, a broker is only responsible when the stock is registered in his name, although he will make every effort to collect, should the stock be registered in the name of another firm or individual.

If you own stock outright, have it registered in your own name. If you are trading check your statements to make sure that you receive credit for all dividends and coupon interest you are entitled to.

Dividends (Stock)

"Stock Dividends" result when a corporation, through earnings, investments or otherwise, has built up a surplus which does not bear the proper relation to its capital, and the directors then deem it advisable to reduce the surplus by issuing additional stock in the form of a "stock dividend".

Let us say that a corporation starting with a capital stock of $1,000,000, has over a period of years increased its surplus to $5,000,000. Its directors decide, therefore, to declare a "Stock Dividend" of 300 per cent, each stockholder receiving 3 shares for every one held, thereby increasing the capital stock to $4,000,000 and reducing the surplus to $2.000,000.

Assuming that the par value of the stock mentioned above is $100 and the market value approximately $600. After the stock dividend is declared, stockholders will hold four shares for every one share held previously, and the value of the four shares then held will be represented by a total value of about $600 or $150 per share.

While the stockholder now holds four shares instead of one, the actual value of his holdings have not changed at the time the stock dividend is declared, although if this stock was purchased at par at some prior date, the holder's original investment has increased five hundred per cent in value.

The real benefit derived from stock dividends from the investor's point of view is that represented by the probability of an increase in the dividend rate and accordingly in his income. Whereas the original stock may have been paying dividends at the rate of $25 per year, it is quite possible that the new stock may pay $8, thus giving a return of $32 on the total of four shares. This increase in dividends will ultimately be reflected in the increased market value of the stock.

The provisions and terms involved in the issuance of new securities, vary according to the objects, requirements, financial position and policies of corporations, and we will not attempt here to discuss all of these cases and the problems which they present to the investor or trader.

One case which we will mention here, however, is that where, a corporation may declare a dividend payable either in stock or cash, making such choice optional with the stockholder, who is advised that unless notification is received by a specified date, the dividend will be paid in cash.

Referring again to the case cited where the corporation declared a dividend of 300 per cent, it will be recalled that the new stock in this case was valued at $150. per share. Now if this corporation had offered the choice of cash or stock, with the proviso that cash would be paid unless the corporation was notified to the contrary, anyone not specifically advising the corporation that he wished stock and not cash would suffer a considerable loss. He would receive cash amounting to $300.00 instead of three shares of stock with a total value of $450. The importance of carefully reading all dividend announcements will be readily apparent.

Errors sometimes occur where brokers have failed to notify

a corporation that they preferred stock, and upon receipt of the cash they would credit the account with cash, not knowing that they had the option of receiving cash or stock.

Rights and Warrants

There are many investors and traders who are not thoroughly familiar with the meaning of the words "Rights" and "Warrants". A detailed explanation is given below, together with a description of how to use the Warrants, which are evidence of the stockholder's Rights.

Rights

When the stockholders of a corporation are offered the opportunity of subscribing to new stock they are entitled to what is known as a "Right" for each share held. Since the offer to subscribe to new stock is usually made at a lower price than the current market value the Rights obviously have value.

A stockholder receives one Right for each share of stock held regardless of the extent of his holdings, his privilege to subscribe to the new stock being determined by the number of shares he holds, and the terms of the stock subscription.

The market value of Rights is determined by the current price of the stock already held, and the subscription price at which the new securities are offered.

Assume that the stockholders are offered the right to subscribe to new stock at $100 per share, in the proportion of one new share for four old shares held, and that the current price of the old stock is 112½. The value of the rights may be arrived at as follows:

Value of 100 shares old stock at $112½		$11,250.00
Giving you 100 Rights, or the privilege to subscribe to 25 shares at $100		2,500.00
		$13,750.00
Value of 1 share after distribution of stock dividend	$	110.00
Subscription price		100.00
Profit on each share subscribed for, or the value of four Rights	$	10.00

As you must hold four Rights to subscribe to one new share, which has a value of $10 in excess of the subscription price as explained above, each Right would have a value of $2.50.

Warrants

Warrants are the actual certificates received from the corporation evidencing your privilege to subscribe to the new stock. In the example cited above, your Warrant would show that you are entitled to subscribe to 25 new shares. Many persons receiving these certificates are under the impression that they hold 25 Rights, but as stated previously, they hold 100 Rights, and if the stockholder elected to sell instead of subscribing, he would sell 100 Rights.

In many cases corporations offering new shares of stock do not issue fractional shares, and in these cases if the stockholder is entitled to subscribe to a fractional share, he must either sell the rights representing the fraction, or buy sufficient Rights to enable him to purchase a full share.

Referring again to the case previously cited, and assuming that you hold 50 shares of the old stock instead of 100 shares: With the new shares being issued in the proportion of one new share for four old you would receive a warrant entitling you to subscribe to 12½ shares. In this case the one-half share would represent two Rights. You can either sell these two Rights and subscribe to 12 shares, or buy two Rights, which would entitle you to subscribe to 13 shares.

When a corporation issues Warrants or Rights to stockholders it is generally customary for them to send out a letter giving full instructions as to the method of subscription, date of expiration and other details in connection with the issuance of the new stock.

In other instances corporations may give stockholders the privilege of subscribing to the securities of an entirely new company, the value of which cannot be arrived at by any definite mathematical process. However, the sponsors of the new security, or interested brokers, will in all probability establish a market. If this market price is lower than the subscription price offered by the corporation the Rights are, of course, valueless, but if the market is higher, the Rights have a definite value established by the difference between the subscription and the market price.

Each stockholder must definitely decide by considering all the factors in connection with the new stock issue, such as dividends, earnings, etc., and also by consultation with his banker or broker as to whether it is advisable for him to subscribe to the stock, or sell his Rights, and action must be taken before the Rights expire.

Brokers usually notify their clients when they are entitled to Rights, and at the same time request instructions before the expiration date as to whether clients elect to subscribe or sell.

Cases have come to the attention of the writer where subscriptions have been made to stocks or bonds, when they could have been purchased lower in the open market. In one case which the writer recalls a large brokerage house subscribed to a stock when the rights were worthless, the price of the stock as quoted in the open market being lower than the subscription price. In further illustration we may cite the case which occurred following the severe decline in stock prices in October and November of 1929. In this instance stockholders had originally been given the right to subscribe to one new share of North American Company stock at $100 for each ten shares held as of October 17, 1929, the subscription falling due on November 15, 1929. However, as a result of the general decline in stock prices during that month the stock of the North American Co. closed at $83 on November 15th, and due to the fact that the stock fell below the offering price the North American Company announced that subscribers would be permitted to withdraw their subscriptions made at the original offering price. In spite of this, however, the listing application of the company indicated that stockholders had subscribed to 16,091 shares of stock at $100 per share, thus paying $17.00 per share, or a total of $273,547.00 on the 16,091 shares, more than they needed to through their failure to take advantage of the company's offer, allowing them to withdraw their subscriptions at the original offering price of $100 per share.

Watch the market and other conditions before exercising your right to subscribe.

"Ex Rights" means that the value of the rights is deducted from the market price of the stock.

Due Bills

A "Due Bill" is an instrument of paper, issued and passed between brokers, showing that there is due to the holder certain benefits, such as cash or stock dividends, or rights. This paper is used during the interim between the corporation record date and the date set by the Stock Exchange, as hereinafter explained.

The necessity of these "Due Bills" may be brought out clearly by the following example: A corporation announces that it will distribute a stock dividend of 50 per cent to stockholders of record on July 1st, payable August 1st. The Stock Exchange may rule, for various reasons, that holders of the stock on July 15th and not July 1st are entitled to this stock dividend. According to this ruling of the Exchange, the stock will sell "ex-dividend" on July 15th. This does not affect the records of the corporation, and the stock dividend as originally announced will be distributed to stockholders recorded on the corporation's books as of July 1st.

Now let us assume that your broker was carrying for your account 100 shares of this stock on July 1st. In this event the broker will receive from the corporation on August 1st, 50 shares of stock in payment of the stock dividend. According to the ruling of the Stock Exchange, if you sell your original 100 shares of stock any time prior to July 15th, you are not entitled to the stock dividend which your broker will receive on August 1st. It is therefore necessary for your broker when delivering these 100 shares against your sale, to attach his "due bill" assigning this stock dividend to the purchaser.

In the example just cited, should you have actual possession of these 100 shares of stock on July 1st registered in your own name, you will, of course, receive the stock dividend, when payable on August 1st, but should you sell that 100 shares prior to July 15th, the 50 shares you will receive as a stock dividend belongs to your broker through whom you made the sale as he in turn is responsible to the purchaser.

The writer has known of several instances where investors have received additional stock under the above conditions, and being ignorant of the fact that this stock was not their property have sold it, only to learn later that it rightfully belongs to the purchaser of the old stock.

In another instance an investor sold through a bank, a stock carrying "due bills." After the stock had been sold the broker informed the bank that the stock was carrying "due bills" and requested the bank to collect the dividend from its client, the stock being in the client's name. In the meantime the client received the stock in payment of the dividend, and sold it, thinking it was his property. By the time the bank had notified the client, and corresponded back and forth with the broker, the market had advanced, and in order to adjust the dividend (by buying back the stock) there was a loss of $150. Watch all stocks that you are holding for due bills.

Too much stress cannot be laid on the importance of the investors and traders keeping a strict watch over all dividend announcements and any ruling pertaining thereto.

There are other forms of "Due Bills" used in the work of a brokerage house, but these are of no particular interest to the investor or trader.

Interest Rates

One of the most important elements in trading which has great influence on profits is the rate of interest charged by the broker.

The interest charge is also of vital importance to the broker as this source of revenue may ordinarily be expected to carry a great portion of his expenses. Since this condition exists, it is reasonable to expect the interest charged customers may occasionally be at a higher rate than conditions warrant, although most brokers are very fair in this regard.

It is therefore necessary that the trader understand thoroughly how the interest rate is arrived at, in order that he may intelligently verify this charge.

When a customer purchases on margin, the broker must borrow sufficient money at the best rate obtainable to pay in full for the commitment, i.e., the difference between the total cost of the purchase and the money deposited as margin.

Interest rates are published daily in the newspapers and are classified as Call Loans, Time Loans and Special Loans.

Call Loans

A Call Loan is money borrowed on a day to day basis, and derives its name from the fact that it is payable on the call or demand of the loaner. The rate of interest paid for such loans may vary from day to day.

Time Loans

A "Time Loan" is money borrowed for a specific time at a stated rate for the entire period of the loan. Brokers usually borrow a portion of the money that they require, perhaps a third, on time. These loans are usually made for periods varying from one to six months.

Special Loans

At times a broker is compelled to make special loans at an increased rate of interest on certain classes of stocks and bonds.

According to the constitutional laws of the New York Stock Exchange associate brokers are not permitted to charge interest at a lower rate than the average actual cost, but are permitted to charge a higher rate.

While all items are thoroughly checked before statements are sent out, mistakes will sometimes occur and traders should check each item as to the actual figuring of interest. Errors frequently occur in the figuring of interest, sometimes in favor of and sometimes against the trader. Just recently I heard of a case where a trader found an error of $1,000 in his interest account. The larger the account the more chance there is for error. Check your interest items.

Short Sales

Short selling is the method of speculation whereby a trader expects to obtain a profit through a decline in market prices. In a transaction of this kind he sells something he does not own, with the expectation of buying it back later at a lower price.

Granted, of course, that the broker must fulfill his contract, i.e., deliver the stock against the sale and receive payment therefor, this action of short selling places him in one of two positions.

Either he must borrow the stock to make delivery, or, if available, use stock that he is carrying for another trader. In either case he will usually make an interest profit and a portion of this profit belongs to the trader who sells short, but only on 100 shares or multiples thereof.

In borrowing the stock, the broker pays a nominal price and receives interest until the stock is returned. The rate of interest depends on the conditions existing at the time, but whatever it is the trader is entitled to a portion of the interest received.

However, there are instances when the borrowing demand is so great that borrowers of the stock are compelled to sacrifice their interest or sometimes pay a premium. If the stock is "loaning flat," i. e., bearing no interest or premium, the trader will neither receive nor pay anything, but if the broker is compelled to pay a premium, the trader must pay it in full. However, these are rather exceptional cases, and only occur when a great number of shares have been sold short and there exists a heavy borrowing demand.

In selling stock short, you are charged with all Stock dividends, Rights, and Cash Dividends, provided you are short when the books close.

Traders who are long of stocks that are loaning at a premium may request their broker to loan them and credit their account with a fair portion of the premium thus earned.

When traders cause their brokers to loan or borrow stocks, the trader must assume all liability in connection therewith, chiefly in the event of the failure of the broker with whom the borrowing or loaning contracts were made, provided that the trader has received proper notice, or has signed some general consent assuming such liability.

Safekeeping

Fully paid securities are set aside for clients, and this transaction is termed in brokerage circles "Safekeeping." The particular purpose of Safekeeping is to protect clients in event of failure. Should this contingency arise, the securities in safekeeping are the property of the persons indicated in the safekeeping record and cannot be included in the general assets of the bankrupt firm or claimed by the creditors.

If a client is trading on margin and the equity in his account is sufficient to allow for full payment of some of his securities, and still leave enough to amply margin his remaining securities, it is advisable that he requests his broker to place these securities in safekeeping for his account. The client, however, should be reasonable in a request of this nature, particularly in an active trading account, otherwise the broker will be compelled to make continual entries in and out of the safekeeping account, as the margin requirements vary in accordance with the number of shares carried.

I know of many instances where traders have lost considerable money (when failures have occurred) by not having stock that was fully paid for placed in safekeeping for their account. (*See that stock owned by you outright is placed in safekeeping.*)

Questionable Investments

Much has been written and said warning the investing public of the danger and futility of placing their funds and confidence, with men or organizations of which they know nothing.

In this book I can do no more than reiterate these warnings, with the hope that my readers will investigate thoroughly every proposition submitted to them as an investment. Consult freely with your banker or broker, and if the proposition is not approved of by him, it undoubtedly is not suitable for you.

Reputable Brokers

One of the most important factors in trading or investing is to deal with a reliable and reputable brokerage house.

Members of the New York Stock Exchange are required to answer a questionnaire twice yearly, and this with other safeguards demanded by the Exchange, gives added protection. It costs no more to deal through a reputable house than through a questionable one, and in fact, much less. The record of the New York Stock Exchange shows a very small percentage of failures among its members, and where failures have occurred the creditors have suffered comparatively very little. Of course there are many nationally known investment houses whose reputations are unquestionable and with whom you may deal without hesitation. A reputable brokerage house

will always want to know something about the responsibility of a person opening an account, and will demand sufficient margin to protect his clients and himself. Houses that are willing to do business with you on an inadequate margin probably will not give you the protection you require.

A few years ago the writer was connected with an organization that was not a member of the New York Stock Exchange. Shortly after making this connection I learned that the firm which consisted of three partners had started in business two years previous, with a capital of $15,000. In two years time they had opened seven branch offices and had about 2,500 accounts which were carrying approximately $2,500,000 of securities. Of this amount they were short about $2,000,000 of securities, representing their sales against their clients' purchases. Of course, they failed in time, causing great loss to their clients. Trade or invest with a reputable broker.

Callable Bonds

When a corporation issues bonds, the idenfure (the contract) which is deposited with the Trustee, covers various conditions in regard to the paying of this indebtedness. One of the conditions that occurs very frequently is, that the issuing corporation will provide that a certain amount of these bonds will be redeemed periodically by drawing a certain proportion, the redemption price usually being higher than the face value of the bond.

Let us suppose that a corporation issuing bonds to the extent of $1,000,000 has provided in the indenture for repayment of $100,000 par value at 105, every January 1st, the bonds to be called being determined by a drawing. Assuming the bonds are all of $1,000 denomination, the corporation will draw 100 numbers and the holders of the bonds having these numbers must return them to the corporation, and will receive $1,050 and interest for every $1,000 bond. A date is usually specified by the corporation for the redemption of these bonds.

In addition to the example mentioned, there are various other conditions attached to most bonds, all of which are incorporated in the indenture.

All bond holders should keep a strict and accurate record of the numbers of their bonds, regardless of whether they have

actual possession, or whether they are in the hands of a broker or bank, either in safekeeping or in an open margin account.

You can demand, and receive, either from your bank or broker the numbers of bonds of this character, regardless of the manner in which they are carrying them for you.

Suppose that a brokerage house with inadequate records is carrying bonds for various customers, valued at several hundred thousand dollars, on which there is a premium payable to the holders of the numbers drawn. Upon publication of the drawn numbers the broker having several of these drawn bonds in his possession cannot tell to which customer they belong, due probably to a clerical error or through ignorance of the fact that the bonds have a callable privilege.

Had the above mentioned house furnished the customers with the numbers of their bonds, both the house and customers would have known exactly what they were entitled to upon the official publication of the list.

Another important reason for recording your bond numbers is cited in the following paragraph:

A certain public utility bond is selling 30 to 40 points above par, due to its convertible privilege providing for the conversion of the bonds into stock. A certain number of these bonds are called periodically by drawings at par. Should you own one of the drawn bonds and were not apprized of this fact in time to convert or sell, you would be compelled to accept the face value of $100 for the bond instead of its market value of about $140.

A clerk in a New York Stock Exchange house had as one of his duties the watching of bonds that were called, to see if there were any of these bonds in the office. On three different occasions within the period of a year, he failed to present the bonds for collection, thereby causing the firm a loss of about $700. Watch your callable bonds.

The following pages illustrate the method corporations use in officially publishing in the financial columns of newspapers lists of called bonds, etc.

ENTIRE ISSUE CALLED AT 105% OF PAR VALUE
ST. LAWRENCE PAPER MILLS LIMITED

To the holders of the Series "A" Twenty-Year 6½% First Mortgage Sinking Fund Gold Bonds of St. LAWRENCE PAPER MILLS, LIMITED

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Trust Deed of Hypothec, Mortgage and Pledge made by St. Lawrence Paper Mills, Ltd., in favor of The Royal Trust Company dated April 11th, 1924, securing the Series "A" Twenty-Year 6½% First Mortgage Sinking Fund Gold Bonds of the Company, all of the said Bonds will be redeemed by the Company on September 1st, 1926, at 105% of the principal thereof and accrued interest, and holders of the said Bonds are required to surrender the same with all unmatured coupons thereto attached, on September 1st, 1926, at the principal office of the Bank of Montreal, in Montreal, Toronto or Winnipeg, Canada, or in London, England, or at the Agency of the Bank of Montreal, in the Borough of Manhattan, City of New York, United States of America, for payment and redemption at the said price of 105% and accrued interest to September 1st, 1926.

From and after September 1st, 1926, all interest will cease to run on said Bonds.

Arrangements have been made for the immediate redemption of such Bonds as may be surrendered for redemption prior to that date, and bondholders who so desire may, at their option, surrender their Bonds with all unmatured coupons thereto attached, at any of the places above mentioned, on any date prior to September 1st, 1926, and will thereupon receive payment of 105% of the principal of such Bonds with accrued interest to date of payment.

Montreal, P. Q. June, 1926

By Order of the Board
St. Lawrence Paper Mills Limited
J. I. RANKIN,
Secretary.

Portion of issue redeemed by drawing at 103% of par value.
To the Holders of the Twenty-Year Seven Per Cent. Collateral Trust Gold Bonds of

FOLLANSBEE BROTHERS COMPANY

NOTICE IS HEREBY GIVEN that as Trustee under the Trust Indenture dated March 1, 1921, of Follansbee Brothers Company, the undersigned will redeem the following numbered Twenty-Year Seven Per Cent. Collateral Trust Gold Bonds of said company, viz.;

1	420	916	1600	2459	2991
4	454	931	1602	2500	3063
12	463	953	1643	2529	3068
28	465	954	1653	2532	3107
29	477	982	1693	2534	3118
58	484	984	1702	2552	3160
65	512	1009	1707	2592	3194
79	531	1014	1718	2594	3224
80	543	1025	1755	2653	3230
94	548	1029	1779	2673	3232
95	566	1057	1800	2703	3297
99	568	1097	1804	2736	3317
101	572	1122	1820	2738	3362
114	580	1218	1864	2740	3367
202	596	1223	1883	2745	3375
232	606	1248	1887	2755	3386
239	661	1279	1889	2765	3402
242	675	1280	1902	2779	3423
264	677	1281	1990	2782	3432
265	683	1310	2000	2800	3454
307	702	1336	2003	2811	3485
313	704	1348	2042	2817	3489
347	715	1363	2048	2850	3540
358	728	1411	2070	2861	3568
374	746	1437	2087	2922	3601
375	804	1492	2165	2925	3691
393	808	1507	2172	2930	3710
394	823	1534	2280	2941	3715
397	825	1539	2401	2950	3735
398	833	1555	2424	2974	3894
402	839	1567	2434	2975	3975
418	861	1587	2446		

on Sept. 1, 1926, at the Corporate Trust Department of the undersigned, No. 10 Wall Street, Borough of Manhattan, City of New York, by paying to the bearer or registered holder of each such bond the par value thereof, together with a premium of 3 per cent (3%) of such par value, upon the surrender thereof, respectively, with all coupons for interest thereon not due at the date of redemption. Registered bonds surrendered must be properly endorsed for transfer. From and after September 1, 1926, interest on the bonds so designated for redemption shall cease and all coupons for interest maturing after said date shall become and be null and void. Coupons due on that date should be detached and put through the usual channels for payment.

BANKERS TRUST COMPANY, As Trustee.

Dated June 23, 1926. By H. F. Wilson, Jr., Vice-President.

Tenders requested at price not exceeding 105% of par value. To the Holders of Twenty-five-Year Six Per Cent. Secured Sinking Fund Gold Bonds of

COMMONWEALTH POWER CORPORATION

Pursuant to the provisions of the Trust Indenture, dated May 15, 1922, of Commonwealth Power Corporation, tender to the undersigned as Trustee is hereby invited of Twenty-five-Year Six Per Cent. Secured Gold Bonds outstanding thereunder, for sale for the purposes specified in Section 2 of Article VII.

Proposals to sell bonds must be presented in writing to the undersigned at its Corporate Trust Department in its office at Number 10 Wall Street, New York City, not later than 3 o'clock P. M. on July 21, 1926. To the extent of funds in the hands of the undersigned amounting to Six Hundred and Sixteen thousand, two hundred thirty-three dollars and ten cents ($616,233.10), bonds so offered will be purchased at the lowest prices asked therefor not in excess of One hundred five per cent. (105%) of the principal amount thereof and accrued interest on such principal amount to the date of purchase.

Should there be two or more proposals at the same prices aggregating more than the available fund after acceptance of all proposals at the lowest prices, such proposals under their terms will be accepted pro rata.

The undersigned reserves the right in its discretion to reject any or all proposals, in whole or in part if it can, at the time of opening such proposals, purchase the requisite amount of such bonds or any part thereof at a price lower than the lowest price offered by said proposals.

Dated July 7, 1926.

BANKERS TRUST COMPANY,
By H. F. Wilson, Jr., Vice-President.

In the above instance issuing company has $616,233.10 available for purchase of bonds.

Bond Interest

All bonds, except those noted hereinafter, are bought or sold with accrued interest, meaning that in addition to the price, interest is also added at the rate of the bond, from its last payment date to the date of clearance of purchase or sale. Take for example, a 6% bond, interest payable June 1st and December 1st. Its cost if purchased on January 9th, clearing January 10th, would include interest for one month and nine days. The purchaser's bill would read as follows:

January 9th, $1,000—6% Bond at 95	$950.00
Interest from Dec. 1st, 1 month 9 days	6.50
Commission	2.00
	$958.50

For the purpose of figuring bond interest, except in a few isolated cases, each month has 30 days.

Bonds not carrying accrued interest are as follows: Income Bonds, Adjustment Bonds, defaulted bonds, and bonds on which interest is paid in foreign currency, with no fixed rate of exchange, etc. The price of such bonds usually takes into consideration the different factors, regarding interest payments. They are said to be selling "flat," i.e., no interest.

Most bonds pay their interest in the form of coupons which are attached to the bond itself. These coupons should be detached on the interest dates noted on the coupon, and presented to your bank or broker for collection. Some bonds, however, are registerable as to interest in which case all coupons are

detached by the company, who registers the interest in the name of the holder, and a check is sent to him when due. When buying bonds which are registered as to interest, it is very important to have the bonds re-registered in your own name.

When your bonds are in a broker's custody it is part of his service automatically to credit your account with the interest when due.

Puts and Calls

A Put or Call is an option allowing the holder to buy or sell securities at a stated price within a stated period of time. For the privilege he pays a certain sum, depending on the price of the security, market conditions, length of contract, character of security and the number of shares of stock involved.

For example, let us assume that a stock is selling at 120, and I am of the opinion that it will sell considerably higher within the next 30 days. Not choosing to take the risk of purchasing 100 shares, and depositing about $2,500 as margin, I decide to buy an option which is termed a Call. Acting on my instructions the broker buys a 30-day Call on 100 shares at 124. The Call costs me $125.

Now let us study this situation. My total investment is $125 representing 1¼ points on 100 shares of stock, and my possible loss is confined to this amount. My buying price being 124, and considering 1¼ points paid for the option and ¼% for commissions and stamps, it is obvious that the stock must advance to 125½ before my option becomes profitable. My judgment is correct and the stock reaches 132½ during the thirty-day life of the option, and I sell 100 shares at 132½ and exercise my Call at 124. I make a profit of 7 points net or $700. The reader may ask why, in view of the fact that I believed the stock was going to advance, I did not purchase actual stock at 120 and make a larger profit. It will be noted that the stock might have receded 10 points, in which case I would have lost $1,000, whereas in buying the Call I would lose no more than my original $125 investment. A part of the original investment may, of course, be saved if the Call is exercised at any point between 124⅜ and 125½.

A Put is just the reverse of a Call.

With the market at 120, you buy a Put at 116, that is the option of selling or delivering stock at this price within thirty

days. If the market receded below that point, say to 110, you would exercise your Put at 116 and buy 100 shares at 110 thereby making a profit of 6 points, less the cost of the Put and commissions. If the stock remains above 116 you would allow the Put to expire, and lose your original investment.

If during the life of a Put or Call, the stock sells ex-dividend the price is reduced by the amount of the dividend. In the case of the Call mentioned your option to buy would be reduced from 124 to 122½ and the Put price would be reduced from 116 to 114½ assuming that the dividend was 1½%.

It must not be understood from these remarks that I favor trading in Puts or Calls rather than the actual purchase or sale of securities as this form of trading is largely speculative. I want to bring out all points, and the decision as to the better way of trading must rest with yourself. Your own requirements as to finances, the necessity for limiting losses and other conditions must help you to arrive at a decision.

Margin and Stop Loss Orders

Margin, in Wall Street, represents the amount of money deposited with a broker to protect a customer's commitments, either on the long or short side of the market. The margin requirements depend on the conservatism of the broker, character and price of the security, and general market conditions. The margin deposited with your broker assists him to finance your operations, and gives him the protection required in the fluctuations of the market.

As the broker requires ample protection at all times, it therefore follows that if your margin is diminished through market fluctuations or otherwise, he will call on you for additional funds to adequately protect your account and himself. This is termed a "Margin Call."

In the event that you do not respond to the broker's "margin call" either by depositing cash, or acceptable collateral, he may, if the market continues to act against you, place a "Stop Loss Order" on your account, usually at a point near the exhaustion of your margin. The broker, as a matter of course, will notify you as soon as possible upon placing "Stop Loss Orders" in your account.

Brokers usually make every effort to notify customers of the condition of their accounts and give them reasonable time to respond to calls for margin. However, in case of severe market fluctuations, or the inaccessibility of the customer, it is sometimes necessary for the broker's protection, to liquidate the account without notice to the customer.

Orders

The rapidity with which orders are necessarily handled and the many different interpretations which may be placed upon them make it absolutely imperative that clients place their orders in such a way as to preclude any doubt of their intentions.

There are two distinct classes of orders, "GOOD FOR THE DAY" and "GOOD UNTIL CANCELLED", the latter frequently called "OPEN ORDERS". Either one of these classifications should always be mentioned in placing an order.

An acquaintance gave an order to buy 100 shares of a stock at 120. As the stock did not reach the price that day, his order was automatically cancelled. The stock next day sold at 119½ and then went up to 123. Not receiving any report, the following day he called up his broker and asked him why he had not received a report, and the broker informed him that he had not mentioned in placing his order that it was to be "good until cancelled" and his order had been cancelled at the end of the day. By this time the stock was selling at 125 which caused a loss of $500.

Buy or Sell at the Market

Orders given in this manner are to be executed at the lowest prevailing offer when buying and at the highest prevailing bid when selling.

Limited Orders

An order to buy or sell at a stated price is what is termed a "Limited order." These orders are usually placed at a price lower or higher than the prevailing market price and are not executed until the market reaches the price stated.

Stop Orders

These orders are usually given G. T. C. (good until cancelled) with the idea of limiting losses or conserving profits to a definite amount. A trader buying stock at 125 may place an order to sell at 123 stop, thereby limiting his losses to approximately 2 points. Or, if the market advances to 130, he may place an order to sell at 128 stop, thereby assuring himself of an approximate profit of 3 points.

A trader selling short at 125 may place an order to buy at 127 stop, to limit his losses to approximately 2 points. Or, if the market recedes to 120, he may place an order to buy at 122 stop, thereby assuring himself of an approximate profit of 3 points.

A Stop Loss Order immediately becomes a market order after a sale is made at the given price.

Clients should keep a record of G. T. C. orders to prevent duplications. When it is desirable to change the price of an order be sure to cancel any previous instructions covering the same order; otherwise both may be executed.

Limited orders to buy are reduced by the amount of dividend declared by a corporation on the day the books close, which is the day the stocks sells "ex-dividend." Therefore, an order to buy 100 shares of stock at 125 would be reduced to 123½ assuming the dividend to be 1½ points.

Limited orders to sell are not reduced, the price remaining the same over the dividend period.

Some houses reduce stop orders to buy or sell without instructions but as there is no universal custom covering this action the client should be guided by the practices of the broker with whom he is dealing.

These statements regarding prices at which orders may be executed refer particularly to orders of 100 shares or multiples thereof.

Odd Lots

On the New York Stock Exchange odd lots (that is, lots of less than 100 shares) are subject to the commissions of odd lot dealers, and the broker who handles "odd lots" is called the "Dealer."

An odd lot order at a stated price is not executed until the dealer's commission is allowed for. Therefore, an order to buy 10 shares of an active stock at 79 would not be executed until actual sales took place at 78⅞. An order to sell 10 shares of the same stock at 79 would not be executed until actual sales took place at 79⅛.

An order to buy or sell 10 shares at the market usually would not be executed until a sale of 100 shares or more actually occurs. If this sale was at 79, the buyer would pay 79⅛ and the seller would receive 78⅞.

Limited odd lots are also subject to other conditions. For instance, let us assume that the last sale of a 100 share lot was 46. An order is entered to buy 10 shares at 45. Now, if the stock next sold at 44 the order would be executed at 44⅛, the buyer receiving the advantage of the 44 sale. On the other hand, if the next sale from 46 was 45 or over and then dropped to 44 the order would be executed at the limit price of 45.

Odd lot orders at the market if entered with instructions to buy at the offer or sell at the bid price, are executed immediately without waiting for a sale of 100 shares or more. The odd lot dealer, however, is not compelled to trade on a bid or offer, but will usually do so.

The odd lot dealer's commission varies according to the price and activity of the stock, but the usual charge is ⅛ to ¼%.

Discretionary Accounts

Some traders who feel that they have not sufficient time to attend to the placing of orders and watching the market, empower another person to buy and sell stock for their account. This is termed a discretionary account.

Frankly, this is a dangerous policy, and at times results in serious loss, with absolutely no redress for the trader giving an account of this kind.

Fortunately, reputable houses will not accept discretionary accounts, unless some very unusual circumstances require them to do so. They realize the temptation offered to the man handling a discretionary account.

Do your own trading.

Unlisted Securities

While many large corporations list their securities on an exchange, there are a great number of issues which are not listed and which are not traded in at any definite place. In Wall Street, dealings in the unlisted securities are known as "Over-the-counter" trades.

The markets in Over-the-counter securities are handled by various dealers who make their bids and offers either to other brokers or individuals, according to the orders on their books, allowing themselves a profit over or under the order price.

For illustration, take an inactive security, such as Pacific Fire Insurance. If you gave your broker an order to buy 100 shares of this stock, he would canvass the dealers who specialize in Insurance Stocks, and obtain their quotations before executing your order. Due to the nature of unlisted trading, the dealer's quotations sometimes vary and therefore it is important that your broker thoroughly canvass the market.

Outright or Cash Purchases

Many investors and traders purchase securities and pay for them in full. This, of course, is the ideal way of investing, but there are comparatively few traders who do this, as their buying power is limited to too great an extent. Purchases made in this manner are known as "outright" of "cash transactions."

In "cash purchases" the title to, and actual possession of certificates are vested in the buyer, while in marginal transactions title and certificates remain with the broker. When buying a stock outright the broker should be given instructions to have the certificates registered in the name of the owner, for which there is no additional charge. This assures the owner of the receipt of all dividends, and rights, as well as the corporation's annual statements, literature, etc., which will enable him to keep in close touch with the activities of the corporation. It will safeguard the stockholder against an experience similar to that of Mr. Blank's, as follows:

Mr. Blank bought 100 shares of American Telephone & Telegraph Co. On the eve of an extended business trip he hurriedly visited his brokers, paying in full for his purchase, and received the stock in the name of an individual properly guaranteed as to signature. Upon his return he discovered that he had not

received the dividends on his American Telephone & Telegraph stock for a year and a half. He immediately requested his brokers to collect these dividends from the party in whose name the stock was registered. The brokers finally learned that the former owner of the stock had received the dividends but could not be located. Mr. Blank's actual loss was $1,350 plus time and annoyance.

Bonds, when bought outright, should be accepted from the broker in "bearer" form with coupon attached, for the periodical interest payments, unless registered bonds are desired. While bonds registered in the owner's name may be to some degree safe from loss or theft, the particular disadvantage of registered bonds is that they do not usually command the same market price as coupon bonds, and the process of converting registered into coupon bonds sometimes causes considerable delay.

Cash customers should make prompt payment on receipt of bills from their brokers. If payment is delayed, the broker may add interest for the unpaid period. As a matter of fact, the Stock Exchange requires brokers to charge this interest unless there is a reasonable excuse for non-payment or the amount of such charge is less than one dollar. Those owning securities outright should pay attention to their physical care, a safe deposit box being the best place for them. A detailed list in duplicate giving cost, numbers and other details should be kept. A very good practice is to keep the original list with the securities and a duplicate in some readily accessible place.

It is particularly important to keep a record of bond numbers as some bonds have unusual features which are mentioned in the chapter entitled "CALLABLE BONDS."

Tipsters

There are various organizations throughout the country, who pretend in their publications to have so-called "Inside Information" regarding stocks of certain corporations, and to predict with certainty their trend in the market. These may practically be considered as worthless as their observations are not based on facts or information but are largely guesswork. Their advice should be strictly avoided.

These "tipsters," however, must not be confused with the many worthy statistical bureaus, whose business it is to supply

accurate and trustworthy information upon which may be based accurate opinions as to the merit of various corporations.

Federal Income Tax

Profits or losses accruing from the purchase or sale of securities must be included in the income tax report.

The income tax law covering individuals does not consider that a loss or profit is established on a security until the transaction is closed. That is to say, a person owning stock that has depreciated in value cannot deduct this loss until the stock is actually sold. However, should a trader desire to establish this paper loss he may do so by actually selling the security during the income tax period covered by the return and repurchasing it at a later date. This repurchase cannot be made, however, until thirty days after the date of sale.

During this thirty-day period the security may advance considerably in market price causing the repurchase to be made at a higher level and it is suggested that you consult your broker who will be glad to advise you how to establish this loss with a minimum risk and to your best advantage.

Securities showing a paper profit as stated above, are not to be included in your return and it is sometimes desirable to defer taking this profit until after the taxable period, if it is desired to keep one's income under certain limits.

Commission and Taxes

Commission rates on stocks are as follows:

New York Stock Exchange Stocks.

Under 50c per share may be mutually agreed upon, 50c per share but under $1.00, not less than 3c per share.

			Per Share
$ 1 per share and above	but under	$ 10 not less than	7½c
10 per share and above	but under	25 not less than	12½c
25 per share and above	but under	50 not less than	15c
50 per share and above	but under	75 not less than	17½c
75 per share and above	but under	100 not less than	20c
100 per share and above	but under	200 not less than	25c

200 and over not less than 30c per share plus 5c per share for each $50 or fraction thereof beginning at $250.

The minimum commission on stock selling at 50c and above on an individual transaction shall not be less than $1.00.

This provision shall not apply on transactions where the amount involved is less than $15.00.

On Bonds and Notes of foreign countries, having five years or less to run, notes of corporations having five years or less to run, and bonds of corporations having five years or less to run, such rates as may be mutually agreed upon, unless special rates are determined upon by the **Committee on Quotations and Commissions.** Note, said committee has determined that on said bonds or notes that are selling below 90 or above 110, the rates specified for bonds generally shall apply.

New York Curb Market

Stocks—

Selling under 50c, 3% of amount involved
Selling at 50c and under $1—2c per share
Selling at $1.00 and under $5—5c per share
Selling at $5.00 and under $10—7½c per share
Selling at $10.00 and under $25—12½c per share
Selling at $25.00 and under $50—15c per share
Selling at $50.00 and under $75—17½c per share
Selling at $75.00 and under $100—20c per share
Selling at $100.00 and under $200—25c per share
Selling at $200.00 and over, 25c for first $200 and 5c additional for each $50 or fraction thereon.

Minimum commission shall not be less than $1 on an individual transaction unless amount involved is less than $15.00.

Bonds

All Bonds or Notes having more than five years to run, per $1,000 par value, the commission shall be $2.00.

Commission shall be charged on rights in accordance with commission rates, now governing minimum commission rates on stocks.

Taxes

According to the laws of the United States Government and New York State, it is necessary that a seller of securities pay a tax. The various transfer offices cannot transfer stocks from

one name to another, unless stamps representing these taxes are affixed to bill of sale.

The rates established are as follows:

On stock with par value, 2c Federal Tax, and 2c New York Tax (per $100 par value). For instance, on a sale of 100 shares of United States Steel (par value $100) the seller must pay a tax of $4.00, representing $2.00 Federal and $2.00 New York State.

On a sale of 100 shares of Pennsylvania Railroad (par value $50.00) a seller must pay a tax of $2.00, representing $1.00 Federal and $1.00 New York State.

On sales of Stocks of no par value, taxes are charged at the rate of 2c Federal and 2c New York State per share, regardless of selling price.

Thus the seller of 100 shares of stock having no par value will be taxed $4.00 divided evenly between the Federal Government and New York State.

At this writing the States of Pennsylvania and Massachusetts have also passed stock transfer laws, and a seller of securities, the transfer office of which is located in either of these states, must pay an additional tax to conform to the laws of these two states, which are the same as those in effect in the State of New York.

Subscription Rights

	Per Right
Under 50c per right may be mutually agreed upon.....	
50c per right and above, but under $1.00 not less than..	3c
$ 1.00 per right and above, but under $ 5.00 not less than	5c
5.00 per right and above, but under 10.00 not less than	7½c
10.00 per right and above, not less than.....	15c

Bonds

On Bonds, except those stated below, not less than $2.00 per $1,000 par value.

On securities of the United States, Porto Rico and Philippine Islands and of States, Territories and Municipalities therein, such rates as may be mutually agreed upon, unless special rates are determined on by the Committee on Quotations and Commissions.

Terms and Definitions

TERMS AND DEFINITIONS

A

A. To designate a certain class of stock, such as "A" common, "A" preferred, or Series "A" bonds, etc.

Accrued Bond Interest. The amount of interest due to the seller of an interest bearing bond, except income bonds or bonds selling flat, covering the period between the last interest payment date and the clearance date of sale. If this interest were not included the seller would lose the interest to which he is fully entitled. Assuming that the bond in question paid interest by coupon on February 1st and August 1st a sale made to clear on May 10th would bear interest from February 1st to May 10th (3 months and 9 days) at the rate specified in the bond, in addition to the stated sales price. The buyer of the bond would not lose the interest as on August 1st he would receive a full six months interest although he held the bond for only 2 months and 21 days.

Accrued Dividend—The same as accrued bond interest but relating to stocks only. Used principally in selling guaranteed stocks or in connection with the offering of new issues of established companies where the dividend is fixed and assured.

Arbitrage. Taking advantage of different prices for the same securities, in differently located markets. These differences may result from the actual condition of the market itself at various points, money exchange rates, interest for the time that securities might be in transit, etc. These conditions must be taken into consideration by the person attempting to make the arbitrage. The method is to buy security at a certain price in one market and sell it at a higher price in another market or the method may be reversed by making the sale first. After deducting certain expenses the difference represents the profit or sometimes the loss on the transaction.

An arbitrage may also be made by trading in rights to

subscribe, at a differential in value between the cost of the rights, the subscription price and the market value of the stock subscribed for. Arbitraging may also be operated profitably in cases of mergers or reorganizations involving the issuance of new securities.

Assessable Stocks. Those securities which are issued in such a manner, either through the regulations imposed by the state laws in which the company is chartered, or the charter itself, that the owners of such stock may be subject to an assessment. These assessments may result from the need of additional capital to continue operations, proof of fraud in originally issuing fully paid stock, or because of other contingencies resulting in the need for additional funds. The assessments must be paid at the proper time otherwise the owner of the shares is faced with the possibility of loss of his entire investment. The investor should use extreme caution in purchasing assessable securities as he may be confronted with considerable loss in the event of some unlooked for condition arising.

The best known assessable stocks are shares of National Banks carrying double liability for the owners thereof. Therefore in selling a stock of this kind the practice to be followed should be that of transferring the security to the name of the purchaser, rather than endorsing the certificate in blank.

Assign in Blank. Signing a security without inserting the name of the party to whom the stock is to be transferred.

At Opening. An order with no price limit, to be executed immediately at the opening of the market, at the best price obtainable.

Averaging. This term is used where a trader, having previously bought stock at a higher price than the present market, buys additional shares of the same stock at a lower price. For example, Mr. X buys 100 shares of General Asphalt at 80. This stock goes down to 70. He then buys 100 shares at 70, making him long of 200 shares at an average price of 75. Now if the market went back to 80, he would make 5 points on 200 shares instead of merely breaking even. The same principal would apply to securities sold short the trader selling additional stock at higher prices to obtain a better average price for the entire lot.

B

Bad Delivery. Any delivery of a security which does not conform to the "Rules for Delivery" as fully detailed in the Chapter devoted to the cage and cashier.

Balancing Statement. Bringing the debit and credit side of the statement into agreement by placing the balance, or difference, on the proper side. After arriving at this figure the balance is brought down below the addition and ruled lines together with a list of the securities long and short.

Bank Loan—Money borrowed from a bank against the deposit of acceptable collateral which should exceed the amount of the loan by from 25 per cent to 40 per cent according to provisions made when the loan is negotiated.

Bear. "Bears" are those who sell short, expecting the general market or a particular stock to decline to lower prices.

Bearer Form. Any security or instrument issued to bearer instead of a certain person. Delivery may be made from hand to hand without endorsement. Coupon bonds, due bills, bearer stock certificates, and at times fractional shares and rights are issued in this manner.

Bid and Offer. A bid is the best price obtainable for a certain stock or security. An offer is the lowest price for which it can be bought. Thus a stock is quoted 143 bid offered at 143½. The method of making bids and offers on the New York Stock Exchange are regulated by rules established by the governing committee. The term offer is synonymous with "asked," the latter being more generally used.

Big Board. The term is usually applied to the New York Stock Exchange to distinguish it from the New York Curb Market or the securities department of the New York Produce Exchange.

Blotters. This is the general term used for all record sheets used in the Clearing House, Purchase and Sales, and Cashiers Departments and are similar in use to the Day Book employed by commercial firms. The various blotters of a brokerage firm show in detail every transaction affecting customers accounts.

Board Room. Sometimes called the customers' room in brokerage houses. In this room is located all the equipment necessary for the transmissions of orders to the various markets, news sheets, quotations board, news and stock tickers, and all other facilities for keeping the customers in close touch with conditions and markets. The term is also used to designate the trading room of an exchange.

Bonds. A negotiable instrument issued by a Corporation, Government, State or Municipality contracting to pay a specified amount of money, at a specified time and at a specified rate of interest.

There are many classes of bonds such as a first Mortgage, general mortgage, second mortgage, first and second liens, income, collateral trust, convertible, debenture sinking fund, etc. They are usually issued to bearer having coupons attached for the periodic interest payments, although many are issued in registered form.

Issuers of bonds sometimes retain the privilege of redeeming them at an earlier date than maturity but all conditions are fully covered in the indenture which is deposited with the trustee.

Books Close. The transfer books of large Corporations are usually closed at certain periods to allow for payment of a declared dividend. This is done so that there will be no change in the list of stockholders during the time the dividend checks are being prepared.

Notice of such closing are usually published considerably in advance, thus giving brokers, banks, stockholders, etc. ample opportunity to have their names properly registered on the transfer books. Corporations however may close their books for other reasons than for payment of dividend.

The term "books-close" is at times used synonymously with Ex-Dividend, to which refer.

Box. The Box is a metal receptacle, or a number of them, for keeping all securities that are actually in the office during the day. At the close of business these boxes are taken to a safe deposit vault remaining there until they are required the following morning.

Box Count. An actual count of the securities in the box, either in connection with an audit or with periodical checking. In the latter case the securities in the box should agree with the box book, a record kept from day to day.

Brokers Transfer Account—An account kept by the transfer clerk giving details of securities transferred for the account of other brokers. Occasion for this arises when delivery is made by transfer instead of by delivery of the actual certificates and at times to expedite delivery as in the following instance. Blank & Co. owe Jay & Co. 50 shares of Kennecott Copper, but have a certificate for 100 shares. Jay & Co. being unable to give 50 shares in return accept the 100 shares and transfer 50 shares to their own name and 50 shares to Blank & Co. The 50 shares transferred to Blank & Co. are placed in the brokers transfer account and delivered to them when received from the transfer office.

Bucket Shops. An apparently legitimate brokerage house, usually not members of any Exchange. Such concerns will present an excellent front, meaning an appearance of prosperity and full equipment such as tickers quotations board, etc.

Orders to buy or sell placed with such a concern are not actually executed although the client will be charged interest, commission and taxes. The owners of the bucket shop will take the opposite side of any transaction, for instance, if a customer buys 10 shares of stock in anticipation of a rise the bucket shop owner will be short of the stock. If the client wins, the bucketeer loses.

Even though a client makes money on this transaction it is sometimes difficult to collect as the bucket shop by using high pressure method will induce the customer to continually purchase more stocks and if this continues long enough a sudden reaction in the market usually results in the client being closed out for lack of sufficient margin.

All exchanges are making every effort to eliminate these concerns. The New York Stock Exchange has ruled as follows:

"RESOLVED, That any member of this exchange who is interested in, or associated in business with, or whose office is connected, directly or indirectly, by public or private wire or other method or contrivance with, or who transacts any

business directly or indirectly with or for, any organization, firm or individual engaged in the business of dealing in differences or quotations (commonly called a bucket shop) shall, on conviction thereof, be deemed to have committed an act or acts detrimental to the interest and welfare of this exchange."

Bulls. "Bulls" are those who buy, expecting the general market or a particular stock to advance in price.

Buy In. There are often cases where a broker will have securities coming to him from another broker on account of the latter having failed to deliver them. The broker, wanting these securities, files with the Stock Exchange, a notice, termed a "Buy In." A copy of this is served on the broker owing the securities. The broker owing the stock has until 2:15 P. M. that day to deliver, and unless he makes delivery the Stock will be bought in for cash for the broker who is to receive the securities. The difference in price between the "Buy In" and the price that the securities were originally sold for, is adjusted by a check from one broker to the other.

C

Cage. That part of a brokerage office in which is located, the cashier, stock clerk, loan clerk, transfer clerk, blotter clerk and others having as a part of their duties the receiving and delivering of securities. The cage is exactly what its name implies being made of wire or steel partitions. No one except members of the firm, the manager and employees of the cashiers department are allowed access on account of the valuable securities which are at all times handled in this department.

Callable Bonds. Bonds of any kind in the issuance of which the borrowing corporation, government, municipality or state have reserved the right to redeem the bonds prior to their maturity date. Various conditions surround this callable privilege, such as calling in whole or in part, at certain prices at certain periods, with or without premium, etc. In the event of calling only a part of the issue it is usually accomplished by drawing the numbers of the certificates which are advertised publicly.

Call Loan. A loan which has no definite maturity or rate of interest. The loan may be called by the lender or paid off by

the borrower at any time. The rate of interest is fixed by the renewal rate of call money announced daily at about 11 A. M. and is thus subject to daily changes.

Call (Put). A call, used in this particular sense, is a written agreement, allowing the holder thereof to demand from the signer delivery of a stated number of shares of a particular stock at an agreed price within a stipulated time limit. A put is the opposite of a call allowing the holder thereof to make delivery and receive payment for stocks under the same conditions as noted in the call. Calls and puts are usually signed by a reputable firm, but if signed by an individual a satisfactory endorser is required. These privileges, as they are sometimes called are mainly used as a hedge or offset to market speculation or to allow speculation in a comparatively large amount of stock at a small outlay, with losses limited to the original investment.

Carrying. A client is said to be "carrying" a security when he is long of the security. Usually applied to margin purchases. A further use of the word is in the case of one or more persons carrying securities for some one without protection or collateral of any kind. This is usually a temporary accommodation, perhaps for a few days. The word is used freely in financial circles with different shades of meaning but the above is indicative of its general use.

Carrying Charges. Whenever a broker charges more than six per cent interest on a customer's debit balance, the interest over six per cent is called "Carrying Charges." For illustration, if a broker were charging a customer 8 per cent, the statement would read, Interest @ 6 per cent and 2 per cent Carrying Charges.

Carrying Due Bills. When a Security is carrying due bills a form entitling the holder to certain rights, such as stock dividends, rights to subscribe, securities resulting from mergers or reorganizations, etc. is attached to the certificate. The due bill is used during the period between the ex-dividend date declared by the issuing corporation and the ex-dividend date announced by the Exchange.

Cash Accounts. In a cash account all stocks and bonds that are purchased are paid for in full. After the securities are paid

for, they are usually transferred to the client's name and delivered to him or held subject to his instructions.

Cash Trades. Securities bought or sold for immediate delivery or before expiration of the usual time limit for deliveries usually 2:15 P. M. of the day the trade is made. Securities bought or sold in the regular and not for cash way, cannot be delivered before the next following full business day.

Central Clearing Department. A department of the Stock Clearing Corporation wherein securities are received for and delivered to clearing members and clearing banks. This eliminates the waste of time and risk involved in delivering securities from one house to another.

All securities balances from the Night Clearing Branch are made through the Central Delivery Department, the delivering broker being credited with the proceeds and the receiving broker being debited.

In addition to the Night Clearing balances, securities to be delivered to or received from certain banks are put through the Central Delivery Department. A partial list of such banks will be found in the chapter covering Clearing House deliveries. Cash settlement in one check is made at the end of the day for all items going through the Central Delivery Department and the Day Clearing Branch.

Checking Position. The Stock Record, Bookkeeping, and Margin departments each keep a record of the positions of all customers. Should there be any question of the accuracy of the position of a customer's account, as recorded in one department, it may be checked with the other two departments.

Clearance Business. Many firms make a specialty of clearing transactions for other brokers. These brokers may be members of the same exchange, out of town members, or non-member firms. The commission charged for clearing depends on the price of the security, and the status of these brokers, as members obtain a special rate whereas non-members must pay full commissions. Furthermore a different rate of commission will be charged if the securities are carried over night or for a longer period. The term clearance is used when one broker receives securities for the account of another broker, pays for them and makes delivery if the securities have been sold.

Clearance Date. The date on which a security is received or delivered through a previous purchase or sale. For instance a purchase is made on Thursday, Feb. 7th. This is the date of trade. The clearance date is the next following full business day, in this case, Feb. 8th. If Feb. 7th were a Friday, the clearance date would be Feb. 10th as no deliveries are made on Saturday. Intervening holidays are treated in the same manner. The above applies only to transactions made in the regular way. "When issued" trades, cash trades, sellers and buyers option, delayed delivery, etc. are subject to the provisions made at the time of the trade.

Clearing House. For the purpose of this book the term generally applied to the Clearing Houses of the New York Stock Exchange and the New York Curb Market. The Clearing House was established for the particular purpose of expediting and eliminating individual delivery of securities and to minimize the cash outlay of clearing members. A few examples will illustrate clearing transactions. Jones & Co. purchase 5000 shares of Anaconda from ten different brokers and sell 4000 shares to six different brokers. Without the facilities of the Clearing House Jones & Co. must accept ten different deliveries and pay out a sum approximating, at the market, $350,000. Jones & Co. must then deliver 4000 shares to six different brokers and receive payment. Using the Clearing House Jones & Co. would receive only 1000 shares at a cash outlay of only $70,000 and would make no deliveries whatsoever. The system could be used to a further extent by Jones & Co. loaning 1000 shares which would go through the Clearing House. This would even up his position for the day and no stock would be received or delivered. The cash outlay mentioned previously would of course be temporary as Jones & Co. would be reimbursed for about 80 per cent of the net debit by arranging for a bank loan. However it might be inconvenient to finance $350,000 even temporarily.

The clearing is accomplished by each clearing member sending a sheet to the Clearing House on which is listed all purchases and sales of 100 share lots of stock which are on the Clearing List. The Clearing House then pairs off purchases against sales and adjusts the differences in cash by a payment to or from the clearing member.

Clearance House Balance—All purchases and sales entered on the Clearing House sheets are checked against each other, leaving balances of different stocks to receive and deliver. The names of the brokers from whom securities are to be received and delivered to are supplied by the Clearing House. The term is also used to designate the amount of money to be received or paid to the Clearing House when delivering the night sheet, said differences resulting from the actual prices and the Clearing Houses prices.

Further use of the term is in connection with the day-clearing branch of the Clearing House. The daily settlement check is also called a Clearing House balance.

Clearing House Draft or Check—The differences to be received or paid to the Clearing House when delivering the Clearing House Sheet. Money received is called a draft, money paid out is called a check.

A draft or check represents the difference between the debit and credit side of the sheet, or the purchases and sales, after the balance to receive and the balance to deliver have been added to the sheet at the Clearing House prices.

Clearing House Prices. At the time the last quotations are printed on the tape the Clearing House establishes prices for all active clearing stocks. These are termed Clearing House prices and are at the nearest full figures of the last sale. Assuming that Anaconda closed at 70¼ the Clearing House price would be 70. These prices are used in making up the Clearing House security balances on the sheet delivered to the clearing house at night.

Clearing House Stocks. Stocks in 100 share lots or multiples thereof which have been entered on the Clearing List. Inactive stocks are not usually eligible for clearance.

Clearing House Tickets. Evidence of purchase and sale on special forms made up by the Clearing House. These tickets are exchanged through the Clearing House excepting in case of disputed trades in which event they are exchanged by hand, that is, from house to house. These are called 'demands.'

Closed Out. This means that the client's account no longer has any securities long or short, nor any money balance.

The act of selling or covering securities as particularly applied to forced transactions on account of insufficient margin.

Closed Trade. When the same number of shares of a particular stock have been purchased and sold it is termed a closed trade. In other words an even position in any stated security.

Collection of Coupons. Detaching the interest payment coupons from bonds or coupons representing dividends on bearer stock. The coupons are deposited with the bank in specially printed envelopes, the bank collecting the amount due from the agent of the Corporation, municipality, government or state. Some bond coupons must be accompanied by income tax ownership certificates.

Commission Bills. Bills rendered to one broker from another stating the amount due for orders executed. They are usually sent out at the end of the month.

Commodities. Trading in wheat, corn, cotton, sugar, coffee, oats, etc. is said to be dealing in commodities.

Comparisons. A memorandum of a transaction between two brokers giving full details, with date, description of security, number of shares or bonds, price and conditions of delivery. Comparisons are made up in duplicate, the buyer and seller both comparing. If the transaction is found to be correct the original is signed and returned, the duplicate being kept as a record.

Confirmations (Customers). When an order is executed for a customer a report of the transaction is mailed to the customer, indicating the name of the house with whom the transaction was made, the number of shares, the price, the cost, the commission, the tax (if a sale), and the final extension.

Consolidation. See merger.

Contingent Order. An order depending on the execution of another order before it is effective. For example a broker may receive the following. "Sell 100 American Can @ 105, good until cancelled; or, buy 100 General Electric @ 210, when bought, sell 200 Anaconda at the market.

Control. In brokers' offices each ledger is balanced individually. This eliminates the necessity of checking every

ledger in case of a difference at the end of the month in taking a trial balance, the control showing the debit or credit balance of each ledger individually.

Convertible. Any security which provides in its issuance that it can be exchanged, under certain conditions for another security called a convertible stock or bond as the case might be. There are any number of such securities listed in the various markets of this country and afford at times excellent opportunities for arbitrage.

Convertible securities also offer chances for investment with the added attraction of speculation, at a minimum of risk. For instance good bonds may occasionally be bought around 100 which are convertible into common stock on an attractive basis. If the company is prosperous it will be reflected in the market price of the common stock which in turn will cause the bonds to increase in market value.

Corner. This occurs when a single financial interest gains control of practically all the shares of a certain stock and can advance the price as they wish. This occurs mostly when speculators who have sold the stock short find they are unable to cover without paying the price asked by the interest controlling the stock.

Coupon Bonds. Bonds having coupons attached for the periodical payment of interest. These are detached at the proper time and the amount indicated thereon is collected. (See collection of coupons.)

Covering. Covering is the purchase, by a trader, of those shares of stock which he has previously sold short.

Credit Balance. The difference between the debit and credit side of an account; the credit side being the larger. When securities are sold short an account may show a credit balance, which is not a true reflection of the account, as a false credit is created by a short sale. A Credit balance without securities is termed a free credit and is the amount due to the customer. (See bookkeeping chapter)

D

Daily Balance. A bookkeeping balance taken off daily by the control clerks which shows that all entries for that day are in balance. The term is also used for a certain kind of customers statement on which the interest is figured on the daily balance in each account, instead of figuring on each individual item during the month.

Date of Trade. The day on which an order is executed or a trade consummated. This is distinguished from clearance date, (to which refer).

Day Clearing Branch. That part of the Clearing House which handles all deliveries and payments in the Central Clearing Department, in addition to making proper cash adjustment for securities delivered between brokers against receipt, such as result from three-way transactions. This has proved a great convenience to clearing members who settle all transactions through the Clearing House with one settlement check.

Day Order. An order which is automatically cancelled if not executed on the day it is given.

Dealer. One who deals in securities as a principal rather than as a broker. A dealer sells to and buys from a client whereas a broker buys and sells for the account of a client. The dealer buys and sells at a net price, the broker charges a stipulated commission.

Classed as dealers are the odd-lot brokers on the floor of the Exchange, who trade only with fellow members, houses of issue which sell their own underwritings to the investing public and the great number dealing in unlisted securities.

Debit Balance. The sum representing a client's debit, or the amount owed, against long securities. Of course there may be a debit balance against no securities. In this case it is called an unsecured account.

Definitive Certificates. Actual and permanent certificates of bonds or stock given in exchange for temporary receipts. These temporary receipts are usually issued at the time of a new offering before the engraved certificates are available.

Delayed Delivery. Securities sold with the understanding that they will not be delivered in the regular way, that is on the regular clearance date. In the case of bonds a separate agreement is used stating how long the interest is to run and at what rate.

Deliveries. According to the rules of the New York Stock Exchange which are generally followed out in financial New York, deliveries of securities must be made before 2:15 P. M. (Hammonds Time) on the following full business day, if sold in the regular way. If sold for cash they are made before 2:15 P. M. on the date sold. In case of failure to conform to these rules the buyer may resort to a "buy-in," to which refer.

Delivery Bills. Bills accompanying a security delivery giving full details. If necessary the required amount of Federal and State tax stamps are affixed to the bill.

Demands. See Clearing House Ticket.

Discretionary Orders. Orders given to brokers, or customers men to be executed solely at the discretion of either. Such orders should be strictly avoided both by the client and the broker. In the first place entirely too much responsibility is placed on the one receiving such an order and secondly there is absolutely no redress for the client in the event of a person handling such orders in an unethical manner.

Diversified Buying. Cautious investors do not put all their funds in one line of business, such as Oils, Industrials, Public Utilities, etc.

Instead, they split up their funds and buy comparatively small amounts of stocks and bonds of many different lines of business. This is diversified buying. In case of a depression in any particular line only a portion of their securities would be affected adversely.

Dividend Account. An account appearing in the general ledger used for the purpose of setting up certain dividends which are to be received or paid out. Theoretically this account should be even-up after all dividends have been paid but in actual practise the account usually shows a credit due to the fact that investors have failed to transfer their stocks in time to receive the dividend. Some of these dividends are of course claimed and after being paid are charged to the account.

However all brokerage offices have credits in their dividend accounts which are kept on the books for a long period and eventually credited to profit and loss.

Dividend (Cash). Cash dividends are paid to stockholders out of the earnings of a Corporation, unless announced to the contrary. It sometimes occurs that a corporation has built up a very large surplus but having one year which has shown no profit the dividend is paid out of surplus. This procedure could not, be carried on indefinitely as it would weaken the position of the Corporation. The cash dividend received by stockholders represents the income or yield on their investment. If an expected dividend is not paid it is said to have been passed. The Corporation sets a date on which stockholders of record will be entitled to the dividend. This is explained under Ex-Dividend.

Dividend Claims. Brokers or individuals not transferring stocks in their own name in time to receive the dividend may make claim for said dividend from the party in whose name the stock is registered. If the record at hand does not show in what name the stock is registered this information can usually be obtained from the transfer office. The method of procedure is fully explained in the chapter under dividends.

Dividend Off. See Ex-Dividend.

Dividend On. Securities sold with the understanding that the buyer is to receive the next dividend. If the security has previously sold Ex-Dividend but has not as yet been paid the security would be accompanied by a due bill evidencing the right of the buyer to receive such dividend.

Dividend Proof. The record kept by the dividend clerk, which shows all customers and accounts to be credited with a dividend and the sources from which it would be obtained. If this balances evenly the dividend clerk has proved the correctness of his record.

Dividend (Stock). A distribution of additional stock by a Corporation to bring its surplus and capital to a more reasonable ratio. The stock is distributed to recorded stockholders in proportion to their holdings. Assuming the stock dividend to be 20 per cent, the holder of 100 shares would receive an additional 20 shares making his total holdings 120 shares.

It must not be taken for granted that this twenty shares represents additional value, as a stock dividend results in an increase in capital but the same decrease in surplus. The market value of 120 shares would probably approximate the value of the original 100 shares immediately after the distribution, but ultimately the prosperous conditions of the Corporation would be reflected in higher prices and larger dividends.

Don't Know. An expression used by a broker to state that a certain transaction which another broker is attempting to confirm or compare, is unknown to him. When a mutual understanding is reached the trade is properly compared or cancelled.

Due Bill. An instrument passed between brokers stating that dividends, rights to subscribe, stock dividends, etc. are the property of the holder of the due bill. There are two kinds in general use, one which is given on Ex-Dividend dates on fail to deliver and stock borrowed, and those demanded on fail to receive and stocks loaned. For instance Jones & Co. were failing to receive 100 shares of stock from Kahn & Co. Jones & Co. would then demand a due bill covering this dividend from Kahn & Co. The other form is used during the period between stockholders of record date set by a Corporation, and the Ex-Dividend date set by the Exchange. See chapter on Dividends for full explanation.

E

Equity. Equity is the amount of money that would be due to a trader from his account should it be closed at the market prices. Also used to designate the amount of money represented by the value of collateral in loans over the amount borrowed.

Even-Up. When a trader sells all of the shares of any securities he is long of or covers all the shares of any securities he is short, he is termed "Even-Up" on that security.

Ex-Blotter. A large receive and delivery sheet used in the cage of brokerage houses where all items not recorded in connection with the transactions of the Night Clearing Branch are entered. This would include bank balances, fail to receive and deliver, cash transaction with customers, bank loans, divi-

dends, receipt and delivery of securities with customers, unlisted securities, commissions (exclusive of Clearing House) taxes, etc. All final balances being shown on the Ex-blotter it is the balancing medium by which all entries are brought into reconciliation.

Excess Equity. When a trader's equity exceeds the margin requirements on his securities the difference is "Excess" or "Surplus Equity."

Exchange of Securities. The result of mergers or consolidations wherein stockholders have approved the exchange of securities to those of another Corporation. See details of consolidation of Royal Baking Powder & Co. and Fleischman discussed in chapter devoted to transfers.

Ex-Dividend. As applied to sale of a stock it means that the dividend that has been declared will be paid to the seller, or that the buyer is not entitled to said dividend. In reference to a date it means the particular day designated by a Corporation on which stockholders of record will be entitled to receive the dividend. For instance the United States Steel Co. declares a dividend of $1.75 per share payable on May 16th to stockholders of record April 14th. The Ex-Dividend date would therefore be April 14th unless it were a Saturday in which case April 13th would be the Ex-Dividend date, as far as dealings on the Stock Exchange were concerned. The Corporations however would still pay the dividend to stockholders of record April 14th. This results because of the fact that no deliveries are made on Saturday on the Stock Exchange. In the above case (Ex-Dividend Date April 14th) all securities sold for regular delivery on April 14th would not carry the dividend, in other words the buyer would not receive it. Securities sold for cash, (immediate delivery) would carry the dividend as the buyer would be able to transfer the stock to his own name and receive the dividend from the Corporation. Cash transactions would be quoted 1¾ points higher than regular delivery transactions. When corporations declare stock dividends or right to subscribe the Ex-Dividend dates are usually adjusted in a different manner. While a Corporation may declare a stock dividend to stockholders of record August 10th which would ordinarily be the Ex-Dividend date, the Stock Exchange might rule that the stock shall not sell Ex-

Dividend until August 28th. This ruling will not affect the actions of the Corporation and therefore all transactions between August 10th and August 28th would bear due bills covering the stock dividend. Where out of town transfers are necessary the Ex-Dividend date for stockholders of record as of the date announced by the Corporation is advanced a few days in New York to allow for time consumed in the transit of the stock.

Exercising Rights. Rights being the privilege of subscribing to a certain amount of securities at a stated price within a stipulated time, the process of subscribing is termed 'exercising the rights.' If the certificate states that 10 shares may be subscribed for at $50 per share, the holder would forward the rights together with check for $500 to the Corporation's agent, who would return a certificate for 10 shares of stock. In exercising rights full instructions should be given to the agent including full name, address, etc. so that the stock may be properly registered. The rights must be exercised on or before the expiration date set by the Corporation.

Exhaust Price. The price at which a customer's margin or equity would be entirely wiped out. At this point the broker would be compelled to sell out or cover all securities to prevent loss. In actual practice however a stop-loss order is entered at a price which would take care of all interest and commission and still leave a small credit. Previous to the reaching of this condition however additional margin has been demanded. If the margin is furnished the stop-loss order is cancelled.

Ex-Interest (Or Coupon). Delivery of a bond with the coupon detached. This is done when the interest payment is due or is about to become due, and depends on the provisions surrounding the trade. Registered bonds are also delivered without interest when it is impossible to re-register it in the buyer's name in time to receive the interest from the Corporation.

Expiration Date. Generally used in connection with the date on which rights or other privileges expire. If rights are not exercised on or before the date set they become valueless.

Ex-Rights. See Ex-Dividend.

F

Fail to Receive or Deliver. On every full business day a broker has certain stocks to receive from all other brokers. Any part of these securities which are not received are entered on the Ex-Blotter under the account of "Fail to Receive." This contra entry is always placed on the credit side on the day of fail to receive. For example, Harris, Jones & Co. are to receive 100 shares of United States Steel from J. Peabody and Co. for 20,000 dollars on account of a purchase from them. J. Peabody and Co. do not deliver the stock that day, so in order to close the transaction temporarily, Harris, Jones & Co. make an entry on their blotters for the "Fail to Receive" account stating that J. Peabody and Co. owe them the stock for 20,000 dollars. The next day J. Peabody and Co. deliver the stock to Harris, Jones & Co. Harris, Jones and Co. now make an entry on their blotter showing the receipt of the stock for the "Fail to Receive" account for $20,000. Failed to deliver items are handled in a similar manner the contra entry being placed on the debit side of the blotter on date of fail to deliver. When the item is subsequently delivered it is placed on the credit side for the account of "fail to deliver."

Fail Notices. A notice sent from one broker to another stating that certain securities have not been received or delivered on the regular clearance date. If the notice is correct it is signed and returned to the sender who retains it as proof of the correctness of the transaction.

Federal Tax. As applied particularly to the sale or transfer of stocks the law requires that the seller shall pay a tax of 2c for every $100 par value or 2c per share on no-par value stocks.

Floor Reports. Reports of execution of orders giving full details including price, number of shares and from whom bought or to whom sold. These reports are sent to the Clearing House Department of the brokerage office where they are matched up with the reports received from the order room.

Floor Broker. A member of the Exchange who specializes in executing orders for other members at the usual floor brokerage commission rate.

Full Lots. All transactions of a hundred shares of stock or $10,000 par value bonds or multiples thereof, are full lots.

Full Paid. In issuing securities of new Corporations a stock is said to be fully paid when it has been issued in exchange for its full face value, either in cash, property or an equivalent. Another use of the term is to differentiate between various payments on stocks which have been offered to the investing public in part payments. Provisions of issuance might state 1st installment 20 per cent; 2nd installment 40 per cent; 3rd installment 40 per cent. These securities would be quoted 1st installment paid, 2nd installment paid and full paid; or, 20 per cent paid, 60 per cent paid and full paid.

G

Give Up Orders. Orders placed by a client with a house other than the one in which he has his account. The broker executing the order "gives up" the name of the firm in which the customer has his account and the stock is received or delivered to this firm. Brokers who do not clear their own transactions also "give up" the name of the clearing broker.

Good Delivery. Delivery of securities which conform to the rules for delivery as established by the New York Stock Exchange. (See Chapter entitled Cashier Department).

G. T. C. Good till cancelled.

Good Through a Given Date. Orders placed at a limited price to be in effect only for a stated period, such as Buy 100 Anaconda @ 78 Good through Oct. 18th. If the order is not executed it is automatically cancelled at 3 P. M. Oct. 18th.

Good Transfer. Any transferable security which would meet with the requirements of the transfer agent in transferring it to another name. A security may be a good transfer, but not a good delivery according to the delivery rules of the Exchange. For example, a stock registered in the name of Mary Carr, a single woman, would not be a good delivery due to the omission of the prefix "Miss," but it would be a good transfer, providing of course that the certificate was properly signed and signature guaranteed.

Good Until Cancelled. See Open order.

H

Hammonds Time. The name is derived from the name of the watchmaker who supplies the official time to the New York Stock Exchange. Hammonds Time is exactly 2:15 P. M. established by fifteen distinct beats on the ticker, following the words "Hammonds Time". 2:15 P. M. is the recognized settlement time for transactions on the Stock Exchange and deliveries may be refused after that time.

Hedging. Any transaction which would tend to lessen loss or prevent loss on a commitment already made, such as trading in puts and calls, switching from a long position to a short position, and vice versa, or selling an entirely different stock short to offset possible losses on other stocks previously bought.

House of Issue. Any financial institution, bond house, banking house or broker who offer original issues of securities for public sale, either through their own efforts or by wholesaling a portion thereof to other distributors.

Hypothecate. To pledge and deposit securities, as collateral against money borrowed.

I

Immediate. As applied to the execution of an order, which is usually given in the following form, Buy 100 Standard Oil 67, immediate or cancel. If the order cannot be immediately executed at this price or lower, it is cancelled. The term is also used in designating the time for the delivery, as when securities are bought for cash, meaning immediate delivery. Securities bought in this manner must be delivered at once or before 2:15 P. M. on the same day purchase was made.

Income Tax. The Tax imposed upon the net income of Corporations, partnerships or individuals by the Federal Government. This income tax became effective March 1, 1913. The State of Massachusetts and New York has similar tax laws which became effective January 1, 1916 and January 1, 1919, respectively. Profits or losses through trading in securities must be included in the income tax returns.

Indenture. As used in connection with bond issues, it is the contract between the bond holders, the trustee, and the issuing

party covering every detail of issuance, redemption, interest, etc. It is usually deposited with the trustee.

Interim Certificate. Sometimes called temporary certificates which are issued to purchasers of new security offerings. These are held until the permanent certificates are available at which time they are exchanged.

Investment Buying. The term used when the condition of the market indicates that securities are being bought for investment purposes. Continuous buying of this kind usually results in a strong market as the purchases are made with the intent of holding for an indefinite period or for a long pull, thus reducing the floating supply. It is entirely different from speculative buying or professional buying in which cases a quick market profit is anticipated.

Investment Trust. A corporation formed for the express purpose of making investments, usually in securities. Such corporations offer their own Corporation securities for public sale using the funds derived therefrom to purchase such investments as their policy and judgment dictates. There are several kinds of investment trusts, such as the management type where the nature of the investments is left to the directors and the fixed type which can only purchase those securities agreed upon when the trust was formed.

Issue Price. The original price at which securities are offered for public sale. The offering is usually made by a syndicate of distributors who obtain the security at a lower price, the difference representing their profit.

J

Joint Account. An account in which two or more persons have a mutual interest. All losses or profits are divided evenly after the deduction of all expenses, which might include a special distribution for the person carrying the account or conducting its operations.

Journal Entry. These are charges to one, and credits to another account of the same items and amounts. They are chiefly used in brokerage houses, for interest, cash transferred from one account to another, and to adjust errors.

L

Limited Order. An order for any duration of time, that is, for the day, for the month, good until cancelled, etc. on which a price limit is placed as "buy 100 General Electric @ 216½".

Listed Stock. In a very broad sense this refers to securities listed on the New York Stock Exchange although it actually means securities listed for trading on any recognized Exchange.

Loan Crowd. A name given to those brokers who wish to loan or borrow stocks. These transactions are usually consummated on the floor of the Exchange.

Loaning Flat. A broker who borrows stock puts up the market value of the stock with the lender. In most cases the lender allows him interest on this money, at a loaning rate, until the stock is returned. If, however, there is a great demand for this stock, it may be "loaning flat" which means no interest is allowed on the money.

Loaning at a Premium. First read, loaning flat. In other cases there is such a great demand that the broker not only receives no interest but is compelled to pay, each day, a certain sum for the privilege of borrowing the stock, which is called a premium.

Long. When a broker purchases or receives securities for a client's account. Until the securities are sold or delivered, the client is "long" of these securities.

Long Pull. To take either a long or short position in the market with the expectation that it will have to be maintained for a long period. For instance an investor may beleve that a certain Corporation is in line for exceptionally large profits but that it will take some time for this prosperity to be reflected in higher quotations for the stock. He will therefore purchase the stock and hold it until his expectations have been proved or perhaps disproved.

M

Margin. The money or equivalent deposited by a customer with a broker to protect securities purchased (long) or sold (short). For instance, Jones wishing to buy 100 shares of

General Electric at $210, costing $21,000, and not having this amount would deposit $5000 as margin on the account. His account would then have a 50 point margin which his broker would ask him to maintain. Should General Electric decline to 195 the margin in the account would be reduced to 35 points and at this point Jones would receive a margin call requesting an additional $1500. Collateral may also be used as margin in the following manner. Brown deposits 100 American Can with his broker and at the same time places an order to buy 100 additional shares at the market, say at 105. His holdings would then amount to 200 shares and the value of the 100 shares deposited, $10500, would represent the margin of approximately 52 points. The subject is fully explained in the chapter entitled "Margin Department".

Margin Calls. If the market changes, thereby reducing the equity in a trader's account to a point where the broker requires more margin, the trader is then requested to put up additional money to cover the deficiency. This request is a Margin Call. Inability or failure of the customer to comply with the margin call would result in closing out the account or the placing of stop-loss orders at the point of exhaustion of the margin.

Market Order. Buying or selling orders to be executed at the best possible price after receipt of the orders.

Marking Borrowed and Loaned Stock at the Market. A broker borrowing stock from another broker, gives the other broker a check for the market value of the stock. Should the stock advance in price, the broker borrowing it is required to give an additional check to cover the advance, in other words, he is "marked up to the market". When returning the stock, the broker who borrowed it will receive all his money back.

Matching Reports. The Purchase and Sales department receives memorandums of all executions of orders from the order room. They also receive a report from the broker executing the order. The Purchase and Sales Department now compares these two reports to see if they match.

Merger. Combining the interests of two or more Corporations under one management. A consolidation or amalgamation. In a merger the larger Corporations usually take over

the smaller units continuing with the Corporate name of the larger. This, however, is not always the case as there may be a merger of several equally large and important Corporations, with an entirely new Corporate name.

Mixed Collateral. Collateral of different kinds pledged against a loan. Such collateral could be a mixture of railroad, industrial or public utility securities. In other cases it could be curb securities, unlisted securities and listed securities. The latter is sometimes called a special loan on which the rate of interest is slightly higher.

Money Balance. The term is used to distinguish it from a security balance. For instance, a customers statement would show a debit balance of $56,825.00 against 400 Radio and 400 U. S. Steel. This sum would of course be the money balance and the Radio and U. S. Steel, the security balance.

Monthly Statement. A statement rendered to customers showing every detail of transactions made during the month. The statement is usually headed with the money and security balance of the previous month, followed by each transaction in chronological order. Each transaction shows date, number of shares, price and final extension. In some cases interest is figured on each individual transaction but other systems figure the interest on the daily money balance. Interest is charged or credited to the account, based on cost of money, character of the account and activity of the account. The statement ends with the money balance and security position as at the end of the month. See Chapter on "Bookkeeping Department" for detailed information.

N

Net Price. The price established after making all allowances, for discounts, commissions and any other expenses: Dealers in securities buy and sell at net prices. See Dealer.

Net Return. The income received on an investment. On stocks which may be classed as perpetual, that is, usually having no maturity date, the net return is obtained by dividing the dividend rate by the cost of the stock. For example a stock selling @ $150 per share and paying $6.00 per share annually would yield a net return of 4%. The net return on

bonds must be figured on a different basis as the time element must be taken into consideration. The process of finding the net return on a bond selling at 102½, paying 7% in semi-annual payments and maturing in 15 years 3 months and 14 days is somewhat involved. Specially prepared tables available in all brokerage offices are used to simplify this work.

Night Clearing Branch. That part of the Clearing House which reconciles all trades listed on the Clearing House Sheets sent in by members of the Exchange. Purchases are paired off against sales, money differences are adjusted by check or draft (See Clearing House Draft) and names of brokers to receive from and deliver to, are supplied on security balances. (See Clearing House Balances).

No Money. A term commonly used in brokerage and banking circles to denote that securities are to be received or delivered against "no money," or to be received or delivered "free". For instance a customer desiring to put up additional margin will deposit 50 shares of Anaconda against which he will not withdraw any funds.

O

Odd Lots. All transactions under 100 shares of stock or $10,000 par value of bonds are called "Odd Lots."

Odd Lot Sheets. Sheets used between brokerage houses and the odd lot specialist to eliminate unnecessary deliveries and to bring these very heavy odd lot transactions down to one settlement check. It is possible for 500 transactions or more to be cleared by three or four actual deliveries. The functions of this sheet are fully explained in the chapter covering Cashier's Department.

Odd Lot Specialists. Those members of the Exchange who specialize in buying and selling odd lots of stock with fellow members only. Odd lot houses have no individual customers their transaetions being conducted exclusively with other members. Due to the nature of this business odd lot specialists must trade for their own account and consequently they are at times forced to take a position in certain stocks. The transactions in odd lots reach a great volume and some odd lot houses have as many as ten board members. An immense

clerical force is required to carry on the work. The methods used in executing odd lot orders are fully explained under, chapter, "Order Room".

Open Orders. Good until cancelled (G. T. C.). Orders to buy or sell at a fixed price with no time limit. These orders remain in force until executed or cancelled. They are also known as G. T. C. orders, meaning good until cancelled.

Open Trades. Incompleted transactions resulting in a long or short position. When a trader is long 100 shares of General Motors, it is an open trade. When this 100 shares are sold the trade is completed or closed.

Order Room Reports. These are reports of executions coming from the order room, from which is built up, the customers confirmation, clearing house sheets, odd lot sheets, etc. When the reports reach the Clearing House Department they are matched up with the reports coming from the floor of the Exchange.

Outright Purchases. See cash accounts.

Over Certification. To certify checks for a larger amount than on deposit. An accommodation extended to some brokerage firms by banks whereby over-certification is granted up to a certain sum, the amount depending on the size and stability of the house and the average daily deposit of the broker. The bank of course requires proper protection and this is effected by the broker signing a note for the desired amount of over-certification, which the bank retains until the amount is returned at the end of the days business. The accommodation is for one day only and must be renewed each morning. The reason for over-certification is the heavy temporary financing which every broker must arrange for until he is reimbursed by the proceeds of out-going deliveries. Over-certification is usually accomplished with no further collateral than the note, although smaller houses may be required to deposit acceptable collateral in the form of securities.

Over Delivered. Delivering a greater amount of stock than called for, the surplus amount being returned by transferring it to the name of the delivering broker. See example in chapter devoted to Cashiers Department.

Over the Counter Securities. See unlisted securities.

P

Pair offs. Sometimes it occurs that two brokers each owe one another the same number of shares of the same issue of stock. This arises when one of the brokers has failed to deliver, and at a later date, on account of a purchase, he is to receive shares of the same issue of stock from the other broker. Instead of actually receiving the stock and delivering it back again, they will "Pair-off" the transaction, giving or receiving a check for the difference in price, or exchanging checks for the full amount of each side of the transaction.

Paper Profits. If a trader purchases securities and they advance in price, the profit is called "paper profit" until the securities are actually sold. Paper profits (or losses) may not be included in making individual income tax return as the trade must be closed before the profit or loss can be established.

Par Value. If a stock is selling at $100 traders sometimes use the expression "Selling at Par", although the correct meaning is the nominal value placed on the stock by the issuing Corporation. The term used in relation to bonds means the face value or principal amount. Many stocks, particularly mining issues have a very low par value, sometimes 10c per share. If this stock should be quoted $1.00 per share the capitalization of the company is being quoted at ten times its original worth. Therefore while the stock may appear cheap at $1.00 it is in reality very high. It is most important therefore to find the rates between market value and par value before assuming that stocks quoted very low are cheap.

Part Paid. See full paid.

Passed Dividend. When a Corporation fails to declare a dividend at the regular period, or ceases to pay dividends it is said to have passed its dividend.

Percentage (Margins). In a number of houses margin requirements are on a percentage basis. The percentage is generally figured on the market value of the traders holdings or the amount of the debit balance.

Points. A point, in Stock Exchange parlance, and in relation to stocks only, means a dollar a share. In a number of houses

margin requirements are on a point basis. The number of points required varies according to the price of the security. For instance if a stock advances from 170 to 175 it is said to have advanced five points (or five dollars) in value. A point advance on a $1,000 bond however would be equivalent to $10.

Position. This term is used in referring to a customer's account with reference to the securities he is long or short and the amount.

Post. The bookkeeping department transcribes entries from blotters, journals and other books of original entry, to the ledger accounts. This is known as posting.

Premium. The excess of the price of a security over its par value. For instance stock selling at $105 would be at a premium of 5%, providing that the par value was $100 per share. Stock with a par value of $50 per share and quoted at $55 would be at a premium of 10%. If the par value were $200 and the current quotation 150 the stock would be selling at a considerable discount, notwithstanding its apparently high price.

Principal. The face value of any security and the amount an investor is entitled to receive at maturity, providing that it is a security having a definite date for the paying off of the obligation. This does not include any interest or premiums. Supposing that a bond was redeemed at 105 and interest, totaling $1059.67. The principal amount would be $1000. The principal is also the basis on which interest or dividends are figured.

Private Envelope. See safekeeping.

Produce Exchange-Trades. Referring to securities, the trades which are made in the securities department of the New York Produce Exchange. The Produce Exchange has been in existence for a great many years for the purpose of trading in commodities but recently added a department for trading in stocks and bonds. The rules and regulations are substantially the same as on the two other Exchanges in New York.

Puts. See calls.

Pyramiding. Pyramiding is the buying of additional shares as the market advances using the excess equity in lieu of depositing additional margin. Example: Mr. Trader buys 100 shares of U. S. Steel at 160, and deposits the required margin, say 30 points—$3,000. Steel now goes up to 175. His equity having increased to $4,500, Mr. Trader buys 50 additional shares. Steel now reaches 190. He buys another 50. When it reaches 200 he buys another 50 shares. Now the stock reaches 210 and he sells his holdings. After selling the 250 shares, he has made a profit of $8,250, whereas if he had not pyramided he would only have made $5,000 on his original 100 shares. In the above case the trader was very successful, but pyramiding usually results in disaster. It is obvious that the account is not strengthened in any manner, that is, there is no increase in the margin or amount of equity. A reaction of 45 points after a rise of 50 points would not be unexpected and this would wipe out the margin. It is therefore seen that the account would be sold out at 165 whereas the original commitment of 100 shares was protected down to 130.

Q

Questionnaire. A form sent out semi-annually by officials of the Stock Exchange to its members. Completion of the form by the brokers shows the exact condition of the broker's business such as entire amount of cash on hand, money borrowed, debit balances, equity, securities in safe keeping, the condition of firm trading accounts, etc. The filing of a questionnaire requires a complete audit of the firm's books.

R

Reconciling Bank Balance. At the end of any stated period the books of a firm will show a certain bank balance which agrees with the amount in the check book. Upon receiving a statement from the bank together with the cancelled checks, it is necessary to ascertain which checks are still outstanding. This is done by putting the cancelled checks in numerical order and checking back against the stubs in the check book. The amount of outstanding checks deducted from the balance shown by the bank statement should equal the amount shown in check book and ledger.

Redemption of Bonds. When a bond has been called for redemption (see callable bonds) the certificate is presented to the Corporation's agent who makes payment at the redeemable price, plus interest. A date is usually set for said redemption at which time the interest stops. It is therefore necessary to present the certificate on or before the redemption date to prevent loss of interest.

Re-Discount Rate. The variable rate charged by the Federal Reserve Bank to re-discount commercial paper of member banks. In this connection the Federal Reserve acts as a banker's bank. Member banks who have depleted their own funds in discounting paper for their patrons are thus enabled to send this paper to the parent Reserve Bank and receive in return either Federal Reserve Notes (currency issued under the Federal Reserve Act) or a credit on the books of the bank to the amount of the total loan. This Re-discount Rate is a variable one, rising or falling at more or less frequent intervals in sympathy with the economic law of supply and demand.

Registration of Securities. As applied particularly to stocks. Every Corporation has a record of the name of each stockholder, which is usually called the transfer book. When dividends are declared the money or stock (in case of a stock dividend) is sent directly to the stockholders as shown on the Corporation books. Owners of stock should therefore see that the certificates are properly registered in their own names with proper address, etc.

Registered Bonds. Bonds not issued in the usual bearer form. The certificate shows the registered owner thereof and it is not negotiable unless properly signed. Some bonds are registerable both as to principle and interest in which case the coupons are detached. Others are registerable as to principal only and the interest is paid by the periodical coupons.

Request for Report. Asking the order clerk for a report on an order previously placed. For instance Mr. Brown enters order to buy 100 General Motors @ 56, and shortly afterwards a sale at this price appears on the tape. If no report of the execution of the order is forthcoming, within a reasonable time, Mr. Brown will ask for a report. The reply would usually be in one of the following forms, "Bought 100 General Motors

@ 56''. Sale occured before your order was entered. Stock ahead of yours at this price.

Regular Way. Securities bought or sold "regular way" are to be cleared or delivered before 2:15 P. M. of the next following full business day.

Renewal Rate. The rate of interest, usually announced about 11 A. M., governing the interest on all call loans in force that day. If the announced rate is higher than the previous day the lender should notify the borrower of the advanced rate; if lower, the borrower should notify the lender of the reduced rate.

Reorganization. The usual term applied when a Corporation, through mismanagement, bad business conditions or for some other reason, is unable to meet its obligations at maturity or earn interest or dividends on its outstanding securities, and therefore requires a thorough reorganization. This usually results in the issuance of new securities, either in exchange for old securities or an offering at a price to acquire additional capital. In any case maturing obligations, interest or payments on them are adjusted in such a way as to keep the Corporation from going into bankruptcy.

Rights. The privilege offered by a Corporation to its stockholders to subscribe to certain securities at an advantageous price. If the subscription price remains lower than the market price of the new issue, after giving effect to capital changes, etc. the rights have a value, but if the subscription price is higher the rights are valueless. Rights are figured on the number of shares held. For instance if an investor holds 100 shares of a certain stock and is offered the privilege of subscribing to twenty new shares, he has 100 rights, although the subscription warrant he would receive would state that he is entitled to subscribe to twenty shares.

Round Lots. Round lots are 100 shares of stock or $10,000 par value bonds, or multiples thereof.

S

Safe Keeping (Private Envelope). Securities that are fully paid for are placed in an envelope marked with the client's name and set aside for disposal according to the client's in-

structions. This proceeding is alternately described as "Putting in Safekeeping", or "In Private Envelope". In event of failure, safe keeping or private envelope securities cannot be included in the assets of the bankrupt firm.

Sell or Buy at Close. An order, usually at the market, to be executed immediately before the closing of the market.

Sellers Option. The sale of a security where the seller has the privilege of delivering on or before a specified time. However if he desires to make delivery before the end of this period it is necessary to give one day's notice to the buyer. For example, a sale made seller 7, means the seller has 7 days to make delivery, but if he wished to make delivery in four days he must give the buyer notice.

Short Sales. When a broker sells securities for a client who is not long of the securities, until the securities are either purchased or received the client is called "short" of these securities. Short selling, i. e., selling securities which were not previously long, with the intent of purchasing them at a later date, is permissible in Wall Street.

Signature Guaranteed. In order that a registered security may be a good delivery on the Exchange or a good transfer the signature of the registered owner must be properly guaranteed. The guarantee of a New York Stock Exchange, firm, a Curb market firm or a bank is usually considered sufficient guarantee.

Specialist. A specialist is a floor broker who is particularly interested in a certain issue and makes a specialty of executing orders and at times making the market in these issues. As such he handles the orders of many other brokers. His operations however are subject to very rigid rules laid down by the Stock Exchange.

Special Loan. Loans in which the collateral is of a special nature, usually securities which are not listed on the New York Stock Exchange. It is customary for the lender to charge a premium over the current rates for loans of this kind.

Spread Opening. Where there is a volume of orders at the opening of the market, a stock will open 10,000 shares 170 to 171, which would make the opening price 170 or 171.

Stamped Security. Any security, stock, bond or note that has been stamped showing some special provision or change which has taken place since originally issued. This might include the stamped endorsement or guaranty of another Corporation, change in interest rate, change of callable or maturity date or a change in mortgage or security provisions.

State Tax. Usually applied to the selling or stock transfer tax of 2c per $100 par value or 2c per share in case of no par value imposed by the State of New York.

Stock Borrowed. A broker needing certain stocks for deliveries, may borrow them from another broker, paying the other broker the market value. Stock borrowed items are subject to interest, premiums and mark ups. (See loaning flat, loaning at premium, and marking borrowed and loaned stock).

Stock Exchange Seat. A person owning a Stock Exchange Seat has the privilege to buy and sell securities on the floor of the Exchange. To obtain the seat or membership it is necessary to pay the price, initiation fees and be duly elected according to the constitution of the Exchange. In the case of the New York Stock Exchange the seats are very valuable but the price is subject to the activity of the market and other business conditions.

Stock Holders of Record. The date set by a Corporation for payment of dividends or for other purposes, the stockholders of record on this date receiving any benefits that have been decided upon by the directors. The large Corporations usually close their transfer books on this date so that a record of all stockholders can be taken. The term is also used to designate the Ex-dividend date.

Stock Loaned. Securities loaned at the market value the loaner paying the current rate of interest on the money received. (See Stocks Borrowed).

Stock Split. The term is sometimes used to denote certain methods of rearranging the capitalization, usually by splitting the common stock issue into two different classes of stock. The general use of the term Stock-Split is to indicate the reduction in par value and the issuance of additional stock without change in the total capitalization. For example a Corporation is capitalized with 40,000 shares of stock, par value $100,

total capitalization being $4,000,000. For some reason it has been deemed advisable to reduce the par value which is effected by calling in the original stock and issuing 400,000 shares of $10 par value stock. This would constitute a stock split in the ratio of 10 for one.

Stop Loss Order. An order entered at a certain price to prevent loss, to minimize loss or to conserve profits. For instance John Kane buys 100 Montgomery Ward @ 58 and wishing to limit his losses to about $400 places an order to sell the 100 shares at 54 stop. As soon as the stock sells at 54 Mr. Kane's order becomes a market order and is immediately executed at the best possible price. In a very active and fast receding market it is possible that the stock may be sold at a considerably lower price, but in most cases the order would be executed reasonably close to the stop loss price. The subject is fully covered in chapter under "Order Room".

Stop Loss Entered. When a customer is called for additional margin and fails to respond, the margin clerk enters a stop loss order to protect the account and marks his margin book accordingly. The customer is of course duly notified. (See Exhaust Price).

Street Name. When a security is registered in the name of a recognized brokerage firm, usually members of the Exchange, it is said to be in a "Street Name".

Subscription Warrant. The actual certificate usually registered in the stockholders name evidencing his right to subscribe to certain securities. The certificate states the number of shares or bonds to which he may subscribe, the subscription price and the time limit or expiration date. Warrants are not traded in, the market being made for the rights which the warrant represents. (See Rights for further explanations of this subject).

Substitution. When a broker needs stocks or bonds that are in a loan as collateral, instead of paying off the loan he may "substitute" other securities of equal value and withdraw the ones that he requires.

Surplus Equity. See excess equity.

T

Take-Off. This is a sheet or set of cards used in the Stock Record department which shows the changes of all the securities for each day. To obtain the take-off the clerk in the stock record department obtains a complete record from every department handling securities and segregates them by listing under the name of the security. When the work is completed the securities on the long side, should equal those on the short side.

Taking a Position. See position.

Tax. On all sales of stock there are Federal and New York State taxes charged at the rate of 2c per $100 par value or fraction thereof, or at the rate of 2c per share for stock having no par value. The states of Pennsylvania and Massachusetts have also passed similar laws providing for the above taxes.

Temporary Certificates. See definitive certificates.

Three-Way Tickets. Tickets exchanged to cover certain Stock Exchange transactions, usually bonds, which clear through the Day Branch of the Clearing House. (See chapter under Clearing House for detailed method of operation).

Tickets. Slips showing details of purchases and sales which are exchanged between brokers. (See Clearing House Tickets).

Time Loan. A loan having a definite date of maturity and a specified rate of interest for the entire period.

Tipster. A person giving supposedly inside information regarding a stock or the operations and prospects of a Corporation. Those who are tipsters by profession and claim to be able to tell the future course of the market should be strictly avoided by investors and traders.

Trader. Generally speaking an individual or broker who trades in securities, such as floor trader, trader in unlisted securities or the customer of a brokerage firm.

Transfer. When a security is sent to the transfer agent of a Corporation, to be registered in a certain name it is said to be in transfer and is so recorded on the books of a brokerage concern. Securities are also counted as being in transfer when

they are sent to Corporate agents for exchange, payment, or any other reason and the record is kept as being "in transfer" until the security or its equivalent is returned to the broker. The term is also used when a customer desires to change his account from one firm to another and will give his present broker instructions to transfer his account to the other house.

Trial Balance. A recapitulation of all open accounts in the bookkeeping department the debits and credits equalling each other or balancing.

U

Unclaimed Dividends. Items appearing in the dividend account of a brokerage concern for which no claim is made. These unclaimed dividends amount to substantial sums and accumulate as a result of the carelessness of some investors who neglect to tranfer dividend paying securities to their own name. (See Dividend claims).

Unlisted Securities. Securities which have no established market on any of the Exchanges. These constitute the very large over-the-counter market and make necessary the great number of firms who trade in and make markets in unlisted securities.

W

Wash Sales. Sometimes called matched-sales. It is a fictitious sale, manipulated by broker giving another broker an order to sell stock at a certain price and when it is sold, the first broker buys it back again. Obviously there is no change in ownership but the sale is reported on the tape giving a false impression of activity and price. The same result is obtained by giving one or more brokers orders to buy at a stated price and giving a different group of brokers, orders to sell at the same price. Both practises are prohibited by the Stock Exchanges.

When Issued Contracts. On all "When Issued" trades brokers exchange forms called "When Issued Contracts which are signed by the brokers.

When Issued Trades. Under certain conditions, corporations authorize securities before they are actually issued. These securities are traded in on a "When Issued" basis. Clients who purchase or sell are not required to deliver or pay for same until a date of settlement is officially announced by the Exchange. While full payment is not required, when issued trades are subject to margin requirements the same as regular transactions.

Wire Accounts. All out of town brokers without offices in New York City must have all their transactions executed by a New York City house. The New York house executes all orders and attends to all receipts and deliveries, and in most cases carry the securities on a marginal basis.

Security Symbols—New York Stock Exchange

SECURITY SYMBOLS

ABBREVIATIONS STOCKS AND BONDS

NEW YORK STOCK EXCHANGE

Explanatory Notes of Ticker Printings
List of Abbreviations for Words and Phrases
Names and Abbreviations of Stocks
List of Bank and Trust Co. Stocks
Names and Abbreviations of Bonds
Abbreviations of U. S. Government Bonds

Notes

One price following the abbreviation of a stock on the ticker tape signifies a sales of 100 shares at that price, thus: X.158½.

When more than 100 shares are sold, the number of shares sold will precede the price, thus 200 shares sold is recorded as X.2.158½.

In times of extreme activity, and after the opening prices on stocks have been printed on the tape, all except the final full figures may be dropped in printing quotations, i. e., in printing 100 shares of Steel at 158½ it will read "X8½." If 800 shares are sold at 158½ it will read "X8S8½," the letter "S" being inserted so that the number of shares sold will not conflict with the prices.

Sales of stocks dealt in on a 10 share unit basis at Post 30 will be designated by letters SS in printing the same on tape.

Odd lots (on figure line), of stocks dealt in on a 100 share unit basis will be designated by the letters SHRS when printed on tape.

An offer alone, without a bid, is preceded by an O and a dot, thus: X.O.158½.

A bid alone, without an offer, is followed by the letter B, thus: X.158½B.

When a sale is not reported in its proper place, the price will be preceded by the abbreviation SLD, thus: X.SLD.158½.

When the amount sold and the price are so nearly alike that they may be taken for two sales, the amount of the sale will be followed by the letter S thus: TCN.4S6, meaning 400 shares at 6.

When an error has been made by the reporter, or in printing, the last letter or figure is repeated several times, indicating that the quotation is to be thrown out, thus: X.158½½½½½½.

In closing prices of active stocks, BR 40C. 6C indicates 40 is bid for an odd lot and an odd lot is offered at 46.

Three-day contracts will be printed thus: X.158½ 3 days.

At fourteen minutes after Two P. M. the words "Delivery Time" will be printed on the tape, and shortly after, the lever of the instrument will give fifteen distinct beats. At the end of the fifteenth beat, it is 2:15 P. M., and the close of the recognized time for the settlement of transactions.

Bonds of companies that have no abbreviations on the card will be abbreviated as plainly as possible, and all will be printed with the bond designation added, as per "Words and Phrases" list. A single price after the abbreviation of a bond indicates a sale of $1,000 bond at that price.

Transactions in U. S. Government Bonds made in fractional variations of not less than one thirty-second of 1% are printed as follows: A sale at 99 and 13-32nds appears as 99.13.

When a stock and bond have the same abbreviation, the abbreviation is listed only under "Stock Abbreviations."

When a stock is listed bearing the same or a similar name (known as a new stock) it will be printed with the old abbreviation followed by the letter N unless a new abbreviation is otherwise designated.

Words and Phrases

Abvn.	Words and Phrases
A	Class A
AJ	Adjustment.
ASST	Assented.
B	Bonds, Class B, or (on figure line) Bid or buyer.
C	Cash (on figure line)
C	In closing prices (signifies Odd Lot).
CLT	Collateral Trust.
CN	Consolidated.
CT	Certificates.
CV	Convertible.
D	Debenture or Division.
DD	Delayed Delivery.
EXT	Extended or Extension.
FD	Funding.
FPD	Full Paid.
GM	General Mortgage.
GNT	Land Grant.
GTD	Guaranteed.
I	First.
II	Second.
III	Third.
IMP	Improvement.
IN	Income.
LL	Leased Line.
MG	Modified Guaranteed.
MTG	Mortgage.
N	New.
ND	Next Day's Delivery.
NN	Non-voting.
O	Offered (on figure line).
OB	Opening of Books.
Pr	Preferred.
P Pr	Prior or Participating Preferred.
R	Rights.
RCT	Receipt.
RE	Real Estate.
REG	Registered.

S	Shares (on figure line).
SB	Small Bonds.
SF	Sinking Fund.
SHRS	Odd Lots (100 Share Basis) (on figure line).
SS	Odd Lots (10 Share Basis) (on figure line).
STMPD	Stamped.
T	Terminal.
TE	Tax Exempt.
UN	Unified.
WI	When Issued.
WW	With Warrants.
X	Ex-coupon, dividend or interest.
XW	Without Warrants.

Stocks

A

STOCKS—Arranged alphabetically according to the names of the stocks.

ABI	Abitibi Power & Paper Co.
AST	Abraham & Straus, Inc.
AST Pr	Abraham & Straus, Inc., Pfd.
AE	Adams Express Co.
ALL	Adams-Mills Corp.
RX	Advance-Rumely Co.
AUA	Ahumada Lead Co.
ADN	Air Reduction Co.
AWY	Air-Way Elec. Appliance Corp.
AJ	Ajax Rubber Co., Inc.
ALM	Alabama & Vicksburg Ry. Co.
JU	Alaska Juneau Gold Mining Co.
AQS	Albany & Susquehanna R. R.
ABP	Albany Perf. Wrap. Paper Co.
AYY	Alleghany Corporation
AY	Allegheny & Western Ry. (Gtd)
ANR	Alliance Realty Corp.
ACD	Allied Chemical & Dye Corp.
AH	Allis Chalmers Mfg. Co.

ALR	Amalgamated Leather Co's., Inc.
ARC	Amerada Corp.
AGR	Amer. Agricultural Chem. Co.
AFW	American & Foreign Power Co.
AFW Pr	Am. & Foreign Pwr. Co., $6 Pfd.
AFW Pr	Am. & Foreign Pwr. Co., Pfd.
AFW Pr	Am. & For. Pwr. Co., $7 2nd Pfd.
ABN	American Bank Note Co.
ABN-Pr	American Bank Note Co., Pfd.
ABS	American Beet Sugar Co.
BOS	American Bosch Magneto Corp.
ABK	American Brake Shoe & Foundry
ABK Pr	Am. Brake Shoe & Fdy. Co., Pfd.
BOV	Amer. Brown Boveri Elec. Corp.
BOV Pr	Am. Brown Boveri. El. Corp., Pfd.
AC	American Can Co.
AF	American Car & Foundry Co.
ACN	American Chain Company
ACJ	American Chicle Co.
ACL	American Coal Co. of Allegany
ACF	American Com. Alcohol Corp.
AEN	American Encaustic Tiling Co. (Ltd.)
AMU	Amer.-European Securities Co.
AMX	American Express Co.
AHS	American-Hawaiian Steamship
HI	American Hide & Leather Co.
AHO	American Home Products Corp.
IS	American Ice Co.
AL	American International Corp.
AFG	Am.-La France & Foamite Corp.
AFG Pr	Am.-La France & Foamite Corp., Pfd.
ALO	American Lomotive Co.
AFX	Amer. Mach. & Foundry
AFX Pr	Amer. Mach. & Foundry, Pfd.
AMM	American Metal Co., Ltd.
AGN Pr	Amer. Natural Cas Corp. Pfd.
AMP	American Piano Co.
AMP Pr	American Piano Co., Pfd.
AOW	American Power & Light Co.
ADT	Amer. Rad. & Standard Sanitary Corp.
ADT Pr	Amer. Rad. & Stand. Sanitary Corp., Pfd.
ARU	American Republics Corp.

AGM	Amer. Rolling Mill Co. (The)
ARZ	American Safety Razor Corp.
AMZ	Amearican Seating Co.
ACS	Amer. Ship & Commerce Corp.
ASU	American Shipbuilding Co.
AR	Amer. Smelting & Refining Co.
SNU	American Snuff Co.
SNU Pr	American Snuff Co., Pfd.
FJ	American Steel Foundries
FJ Pr	American Steel Foundries, Pfd.
ASC	American Stores Company
ASR	American Sugar Refining Co.
AMS	Amer. Sumatra Tobacco Corp.
ACE	American Telegraph & Cable Co.
ATT	American Tel. & Tel. Co.
AT	American Tobacco Co.
ATB	American Tobacco "B" Stock
TY	American Type Founders
TY Pr	American Type Founders, Pfd.
AWW	Amer. Water W. & El. Co., Inc.
WY	American Woolen Co. of Mass.
AW	American Writing Paper Co.
ZA	Amer. Zinc, Lead & Smelting Co.
C	Anaconda Copper Mining Co.
AWC	Anaconda Wire & Cable Co.
ACC	Anchor Cap Corp.
ADE	Andes Copper Mining Co.
AN	Ann Arbor R. R. Co.
ADD	Archer-Daniels-Midland
ADD Pr	Archer-Daniels-Midland, Pfd.
AMD	Armour & Co., of Delaware
AM	Amour & Co. (Illinois)
ACT	Arnold Constable Corp.
ART	Art Metal Construction Co.
ARR	Artloom Corporation
ARR Pr	Artloom Corporation, Pfd.
APP	Assoc. Apparel Industries, Inc.
DG	Associated Dry Goods Corp.
ADO	Associated Oil Co.
A	Atchison, Topeka & Santa Fe Ry.
AX	Atlantic Coast Line R. R.
AG	Atl. Gulf & W. Indies S. S. Lines

AFI	Atlantic Refining Co.
APW	Atlas Powder Co.
APW Pr	Atlas Powder Co., Pfd.
AKO	Atlas Tack Corp.
AAC	Auburn Automobile Co.
ANO	Austin, Nichols & Co.
ACR	Austrian Credit-Anstalt
AU	Auto Sales Corp.
AUZ	Auto-Strop Safety Razor Co., Inc.
AVC	Aviation Corp. (The)

B

B	Baldwin Loco. Works (The)
B Pr	Baldwin Loco. Works (The), Pfd.
BO	Baltimore & Ohio
BG Pr	Bamberger (L.) & Co., Pfd.
BNK	Bangor & Aroostook R. R.
BNK Pr	Bangor & Aroostook R. R., Pfd.
BKR	Barker Bros. Corp.
BLR	Barnet Leather Co.
BLR Pr	Barnet Leather Co., Pfd.
BDL	Barnsdall Corporation
BY	Bayuk Cigars
BY Pr	Bayuk Cigars, Pfd.
BCD	Beacon Oil Co.
BRY	Beatrice Creamery Co.
BCH	Beech Creek R. R.
BNU	Beech-Nut Packing
BV	Belding-Heminway Co.
BLW	Belgian National Rys.
BEX	Bendix Aviation Corp.
BST	Best & Co., Inc.
BS	Bethlehem Steel
BBL	Bloomingdale Bros., Inc.
BBL Pr	Bloomingdale Bros., Inc., Pfd.
SBM Pr	Blumenthal & Co., (Sidney), Pfd.
BHL	Bohn Aluminum & Brass Corp.
BM	Bon Ami Co. (The)
BF	Booth Fisheries Co.
BDO	Borden Company (The)
BGW	Borg-Warner Corp.

BMR	Boston & Maine R. R.
BTY	Botany Consolidated Mills, Inc.
BGG	Briggs & Stratton Corp.
BGI	Briggs Manufacturing Co.
BMY	Bristol-Myers Co.
BMP	British Empire Steel
BKM	Brockway Motor Truck Corp.
BQT	Brooklyn & Queens Trans. Corp.
BE	Brooklyn Edison Co.
BMT	Br'klyn-Manhattan Transit Corp.
BU	Brooklyn Union Gas
BW	Brown Shoe Co.
BW Pr	Brown Shoe Co., (7% Pfd.)
BCC	Brunswick-Balke-Collender Co.
BK	Brunswick Term. & Ry. Sec. Co.
BEY	Bucyrus-Erie Co., Com.
BEY	Bucyrus-Erie Co., Conv. Pref.
BEY Pr	Bucyrus-Erie Co., Pfd.
BFQ	Buffalo & Susq. R. R.
BFQ Pr	Buffalo & Susq. R. R., Pfd.
BR	Buffalo, Roch. & Pitts. Ry.
BUD	Bullard Company (The)
BB	Burns Bros., ("A & B")
BB Pr	Burns Bros., Pfd.
BGH	Burroughs Adding Machine Co.
BHB Pr	Bush Terminal Bldgs. Co., Pfd.
BH	Bush Terminal Co.
BHD	Bush Term. Co. Deb. Stock
BT	Butte & Superior Mining
BC	Butte Copper & Zinc Co.
BCK	Butterick Co.
ABY	Byers Co. (A. M.)
ABY Pr	Byers Co. (A. M.) Pfd.
BYC	By-Products Coke Corp.

C

CFF	California Packing Corp.
CPU	California Petroleum Corp.
CIM	Callahan Zinc-Lead Co.
CMM	Calumet & Arizona Mining Co.
CAH	Calumet & Hecla Cons. Cop. Co.

CWT	Campbell, Wyant & Cannon Foundry Co.
DGL	Canada Dry Gingerale, Inc.
CSA	Canada Southern Ry.
CP	Canadian Pacific Ry. Co.
CAM	Cannon Mills Co.
CCL	Carolina Clinchfield & Ohio Ry.
CTM	Case (J. I.) Co.
CVD	Cavanaugh-Dobbs, Inc.
CLO	Celotex Co. (The)
CEG	Central Aguirre Associates
CES	Central Alloy Steel Corp.
CES Pr	Central Alloy Steel Corp., Pfd.
CKO	Central Coal & Coke Co.
JC	Central R. R. of New Jersey
CTY	Century Ribbon Mills, Inc.
CTY Pr	Century Ribbon Mills, Inc., Pfd.
CDP	Cerro de Pasco Copper Corp.
CRT	Certain-teed Products Corp.
CHC	Checker Cab Mfg. Corp.
CO	Chesapeake & Ohio
CHK	Chesapeake Corp. (The)
ALT	Chicago & Alton R. R. Co.
CE	Chicago & Eastern Illinois R. R.
NW	Chicago & Northwestern
GW	Chicago Great Western
CIL Pr	Chi., Ind. & Louisville Ry., Pfd.
ST	Chi., Mil., St. Paul & Pac. R. R.
CGG	Chicago Pneumatic Tool Co.
RI	Chi. Rock Island & Pacific Ry.
OM	Chi., St. Paul, Minn. & Omaha
TXY	Chicago Yellow Cab.
CIK	Chickasha Cotton Oil Co.
CDI	Childs Co.
CHL	Chile Copper Co.
CHT	Christie, Brown & Co., Ltd.
K	Chrysler Corporation
CSC Pr	Cin., Sandusky & Cleve., Pfd.
CFY	City Ice & Fuel Co.
CFY Pr	City Ice & Fuel Co., Pfd.
CNV	City Investing Co.
CSS	City Stores Co., Common
CSS	City Stores Co., Class "A"

PTT	Cleveland & Pittsburgh, Gtd.
PTT SPL	Cleveland & Pitts. Special Gtd.
CC	Cleve., Cin., Chic. & St. L.
CC Pr	Cleve., Cin., Chic. & St. L., Pfd.
CLU	Cluett, Peabody & Co.
CLU Pr	Cluett, Peabody & Co., Pfd.
KO	Coca-Cola Co.
KOC	Coca-Cola International Corp.
CK	Collins & Aikman Corp.
CX	Colorado & Southern Ry.
CX Pr	Colorado & Southern Ry., Pfd.
CF	Colorado Fuel & Iron Co.
CF Pr	Colorado Fuel & Iron Co., Pfd.
CG	Columbia Gas & Electric Corp.
CGH	Columbia Graphophone Co., Ltd.
CBN	Columbian Carbon Company
CMO	Commercial Credit Co.
CMO	Comm. Credit Co., Cl. A. Conv.
CMO Pr	Comm. Credit Co., 6½% Pfd.
CMO Pr	Comm. Credit Co., 7% 1st Pfd.
CMO Pr	Comm. Credit Co., 8% Pfd. B
CIT	Comm. Inv. Tr. Corp. (Com.)
CIT Pr	Com. Inv. Tr. Corp. (6½% Pfd.)
CIT Pr	Comm. Inv. Tr. Corp. (7% Pfd.)
CV	Commercial Solvents Corp.
CMP	Commonwealth Power Corp.
CDD	Conde Nast Publications, Inc.
COG	Congoleum-Nairn, Inc.
CNG	Congress Cigar Co., Inc.
CLY	Conley Tinfoil Corporation
CRW	Connecticut Ry. & Lighting Co.
CGR	Consolidated Cigar Corp.
CGR Pr	Consolidated Cigar Corp., 6½% Pfd. (w w.)
CGR Pr	Consolidated Cigar Corp., 6½% Pfd. (x. w.)
CGR Pr	Consolidated Cigar Corp., 7% Pfd.
CFM	Cons. Film Industries, Inc.
G	Consolidated Gas Co.
CCU	Consolidated Railroads of Cuba
CTX	Consolidated Textile Corp.
CNR	Container Corp. of America
CI	Continental Baking Corp.
CTB	Continental Bank of N. Y. (The)

CH	Continental Can Co.
CH Pr	Continental Can Co., Pfd.
CIS	Continental Insurance Co.
CMR	Continental Motors
CLL	Continental Oil Co. of Del.
CFG	Corn Products Refining Co.
CFG Pr	Corn Products Refining Co., Pfd.
COT	Coty, Inc.
CRX	Crex Carpet Co.
CR	Crosley Radio Corp. (The)
CCK	Crown Cork & Seal Co., Inc.
CWW Pr	Crown Willamette P. Co., Pfd.
CEZ	Crown Zellerbach Corp.
XA	Crucible Steel Co. of America
CS	Cuba Cane Sugar Co.
CUB	Cuba Company (The)
CBR Pr	Cuba Railroad Co., Pfd.
CSU	Cuban-American Sugar Co.
CSU Pr	Cuban-American Sugar Co., Pfd.
DMS	Cuban-Dominician Sugar Corp.
CUX	Cudahy Packing Co. (The)
CPC	Curtis Publishing Co. The) ..... (
CUZ	Curtiss Aerop. & Motor Co., Inc.
CWZ	Curtiss-Wright Corp.
CHS Pr	Cushman's Sons, Inc. (7% Pfd.)
CHS Pr	Cushman's Sons, Inc. ($8 Pfd.)
CEH	Cutler-Hammer, Inc.
CDF	Cuyamel Fruit Company

D

D	Davison Chemical Co.
DB	De Beers Consolidated Mines
DEM	Debenhams Securities, Ltd.
DER Pr	Deere & Co., Pfd.
DH	Delaware & Hudson Co.
DL	Delaware, Lack. & Western R. R.
DGR	Denver & Rio Grande West. R. R.
DET	Detroit & Mackinac Ry.
DTE	Detroit Edison Co.
DHS	Detroit, Hillsdale & S. W. Ry.
DU	Detroit United Ry.

DRS	Devoe & Reynolds, Inc.
DRS Pr	Devoe & Reynolds, Inc., Pfd.
DN	Diamond Match Co.
DO	Dome Mines Limited
DOS	Dominion Stores Limited
DRU	Drug, Inc.
DS	Duluth, South Shore & Atl. Ry.
DX	Duluth Superior Traction
DHI	Dunhill International, Inc.
DPS	Duplan Silk Corp.
DD	Du Pont de Nemours & Co. (E. I.)
DQU	Duquesne Light Company
DHO	Durham Hosiery Mills
DHO Pr	Durham Hos. Mills, (7% Pfd.)

E

ER	Eastern Rolling Mill Co.
EK	Eastman Kodak Co. of N. J.
EK Pr	Eastman Kodak Co. of N. J., Pfd.
ENX	Eaton Axle & Spring Co.
EGS	Eitingon Schild Co., Inc.
ELO	Electric Auto-Lite Co. (The)
ELO Pr	Electric Auto-Lite Co. (The), Pfd.
ELB	Electric Boat Co.
EL	Electric Power & Light Corp.
EL	El. Pwr. & Lt. Corp., (allot. ctfs full paid)
EL	El. Pwr. & Lt. Corp. (allot ctfs 50% paid)
EL Pr	Electric Pwr. & Lt. Corp., Pfd.
EG	Electric Storage Battery
EH	Elk Horn Coal Corp.
EH Pr	Elk Horn Coal Corp., Pfd.
EGM	Emerson Brantingham
EMP	Emporium Capwell Corp. (The)
EJ	Endicott Johnson
EPU	Engineers Public Service Co.
EQ	Equitable Office Bldg. Corp.
EQ Pr	Equitable Office Bldg. Corp., Pfd.
EP	Erie & Pittsburgh R. R.
E	Erie R. R.
EU	Eureka Vacuum Cleaner Co.
EVY	Evans Auto Loading Co. (The)
EXY	Exchange Buffet Corp.

F

TF	Fair (The)
TF Pr	Fair (The), Pfd.
FI	Fairbanks Co.
FI Pr	Fairbanks Co., Pfd.
FKM	Fairbanks, Morse & Co.
FKM Pr	Fairbanks, Morse & Co., Pfd.
FHP	Fashion Park Associates, Inc.
FLT	Federal Light & Traction
FLT Pr	Federal Light & Traction, Pfd.
FS	Federal Mining & Smelting
FMT	Federal Motor Truck Co.
FWS	Federal Water Service Corp.
FPX	Fidel.-Phen. Fire Ins. Co. of N. Y.
FV	Fifth Avenue Bus Sec. Corp.
FFL	Filene's (Wm.) Sons Co.
FFL Pr	Filene's (Wm.) Sons Co., Pfd.
FST	First National Stores, Inc.
FK	Fisk Rubber Co.
FK Pr	Fisk Rubber Co., 1st Pfd.
FK Pr	Fisk Rubber Co., Conv. 1st Pfd.
FK Pr	Fisk Rubber Co., 2nd Pfd.
F	Fleischmann Company
FLO	Florsheim Shoe Co. (The)
FLZ	Follansbee Brothers Co.
FWC	Foster Wheeler Corp.
FO	Foundation Company (The)
FOX	Fox Film Corporation
FIS Pr	Franklin Simon Co., Pfd.
FT	Freeport Texas Co.
FL	Fuller (Geo. A.) & Co.

G

GRR	Gabriel Snubber Mfg. Co. (The)
GAC	Gamewell Co. (The)
GRD	Gardner Motor Co., Inc.
GT	General Amer. Tank Car. Corp.
AS	General Asphalt Co.
GBG Pr	General Baking Co., Pfd.
GLZ	General Bronze Corp.

GGN	General Cable Corp.
GY	General Cigar Co.
GY Pr	General Cigar Co., Pfd.
GL	General Electric
GF	General Foods Corp.
GGS	General Gas & Electric Corp. (of Del.), (Class A and B)
GGS Pr	General Gas & Electric Corp. (of Del.), Pfd.
GIP	General Ice Cream Corp.
GIS	General Mills, Inc.
GM	General Motors
GMD	General Motors, Debenture Stock
GYZ	General Outdoor Adver., Inc.
GPV	General Public Service Corp.
GRS	General Railway Signal
GRS Pr	General Railway Signal, Pfd.
GRX	General Refractories Co.
GIL	Gillette Safety Razor Co.
GI	Gimbel Bros., Inc.
GLN	Glidden Company
GLN P. Pr	Glidden Company, Prior Pfd.
GGO	Gobel (Adolph), Inc.
GK	Gold Dust Corp.
GSX	Gold & Stock Telegraph Co.
GG	Goodrich Co. (B. F.)
GOR	Goodyear Tire & Rubber Co.
GHM	Gotham Silk Hosiery Co., Inc.
GHM Pr	Goth. S. Hos., Pfd. (without Warr.)
GUC	Gould Coupler Co. (The)
GHR	Graham-Paige Motors Corp.
GB	Granby Cons. Min., Smelt. & Pw.
GNW	Grand (F. & W.) 5-10-25c Stores
GUX	Grand Union Co. (The)
GRC	Granite City Steel Co.
GTY	Grant (W. T.) Co.
OR	Great Northern Iron Ore Prop.
GQ	Great Northern Ry., Pfd.
GSW	Great Western Sugar Co.
GSW Pr	Great Western Sugar Co., Pfd.
GN	Green Bay & Western Ry.
GNP	Greene Cananea Copper Co.
GGZ	Grigsby-Grunow Co.

GS	Guantanamo Sugar Co.
GS Pr	Guantanamo Sugar Co., Pfd.
GU	Gulf, Mobile & Northern
GJ	Gulf States Steel Co.
GJ Pr	Gulf States Steel Co., Pfd.

H

HWA	Hackensack Water Co.
HHN	Hahn Department Stores, Inc.
HMW Pr	Hamilton Watch Co., 6% Pfd.
HNA Pr	Hanna Company, Pfd.
HKM	Harbison-Walker Refrac. Co.
HRT	Hartman Corp.
HN	Havana Electric Railway Co.
HN Pr	Havana Elec. Ry. Co., 6% Pfd.
HIP	Hawaiian Pineapple Co., Ltd.
HYB	Hayes Body Corp.
GH	Helme Co. (G. W.)
GH Pr	Helme Co. (G. W.), Pfd.
HPC	Hercules Powder Co.
HSY	Hershey Chocolate Corp.
HV	Hocking Valley Ry.
HOO	Hoe (R.) & Co.
HLN	Holland Furnace Co.
HLL	Hollander & Son (A.), Inc.
HM	Homestake Mining
HH	Houdaille-Hershey Corp.
HOF	Household Finance Corp.
HOU	Household Products, Inc.
HO	Houston Oil Co.
HW	Howe Sound Co.
HX	Hudson & Manhattan R. R.
HMT	Hudson Motor Car Co.
H	Hupp Motor Car Corp.

I

IL	Illinois Central R. R.
IL.LL	Illinois Cent. R. R. Leased Lines
IPX	Independent Oil & Gas Co.
IMY	Indian Motorcycle Co.

IMY Pr	Indian Motorcycle Co., Pfd.
IRR	Indian Refining Co.
ILR	Industrial Rayon Corp.
IR	Ingersoll-Rand Co.
IR Pr	Ingersoll-Rand Co., Pfd.
ILN	Inland Steel Company
INS	Inspiration Cons. Cop. Co.
IRT	Interboro Rapid Transit Co.
IRU	Intercontinental Rubber Co.
IGL	International Agr. Corp.
IMN	Internatl. Business Mach. Corp.
ICM	International Cement Corp.
IN	International Comb. Eng. Corp.
HR	International Harvester Co.
IPH	Internat.-Hydro-Electric System
ILM	International Match Corp.
MAR	Int. Mercantile Marine Co.
N	Intl. Nickel Co. of Can., Ltd.
IP	International Paper Co.
IP.A.	International Paper & Pwr. Co. (Class A)
IP.B.	International Paper & Power Co. (Class B)
IP.C.	International Paper & Pwr. Co. (Class C)
IP. Pr.N	International Paper & Pwr. Co. (Pfd.)
IKN	Intl. Printing Ink Corp. (The)
IKN Pr	Intl. Printing Ink Corp. (The) Pfd.
IRC	Intl. Rys. of Cen. Amer.
IRC Pr	Intl. Rys. of Cen. Amer., Pfd.
ILS	International Salt Co.
ISS	International Shoe Co.
INR	International Silver Co.
INR Pr	International Silver Co. Pfd.
ITT	International Tel. & Tel. Corp.
ISD	Interstate Dept. Stores, Inc.
ISD Pr	Interstate Dept. Stores, Inc. Pfd. (x. w.)
ISD Pr	Interstate Dept. Stores, Inc., Pfd. (w. w.)
IRY	Intertype Corporation
INQ	Investors Equity Co., Inc.
IA	Iowa Central Ry.
IRO	Iron Products Corp.
ICR	Island Creek Coal Co.
ICR Pr	Island Creek Coal Co., Pfd.

J

JW	Jewel Tea Co.
JMP	Johns-Manville Corp.
JMP Pr	Johns-Manville Corp., Pfd.
JLO	Joliet & Chicago R. R.
JOT	Jones Bros. Tea Co.
JL Pr	Jones & Laughlin Steel, Pfd.
JJ	Jordan Motor Car Co.

K

KLT	Kansas City Power & Light Co.
KSU	Kansas City Southern Ry.
KKN	Kaufmann Dept. Stores, Inc.
JKS	Kayser & Co. (Julius)
KLO	Keith-Albee-Orpheum Corp.
KK	Kelly-Springfield Tire Co.
KK Pr	Kelly-Springfield Tire Co. 6% Pfd.
KK Pr	Kelly-Springfield Tire Co. 8% Pfd.
KW	Kelsey-Hayes Wheel Corp.
KLV	Kelvinator Corp.
KLL Pr	Kendall Co. (The) Pfd.
KN	Kennecott Copper Corp.
KMB	Kimberly-Clark Corp.
KNX	Kinney, (G. R.) & Co.
KNX Pr	Kinney, (G. R.) & Co., Pfd.
KOR	Kolster Radio Corp.
KKR	Kraft-Phoenix Cheese Corp.
KG	Kresge Co. (The S. S.)
KG Pr	Kresge Co. (The S. S.) Pfd.
KDS	Kresge Department Stores
KDS Pr	Kresge Department Stores, Pfd.
KS	Kress & Co. (S. H.)
KRT	Kreuger & Toll Co.
KR	Kroger Gro. & Baking Co. (The)
BKU	Kuppenheimer (B.) & Co.

L

LG	Laclede Gas Light Co. of St. Louis
LG Pr	Laclede Gas Light Co. of St. Louis, Pfd.
LGO	Lago Oil & Transport Corp.

LAM	Lambert Company (The)
LR	Lee Rubber & Tire Corp.
LPT	Lehigh Portland Cement Co.
LPT Pr	Lehigh Portland Cement Co., Pfd.
LEH	Lehigh Valley Coal Corp.
LV	Lehigh Valley R. R.
LNP	Lehn & Fink Products Co.
LBO	Libbey-Owens Glass Co.
LM	Liggett & Myers Tobacco
LMB	Liggett & Meyers, "B" Stock
LMW	Lima Loco. Works
LB	Link-Belt Company
LQT	Liquid Carbonic Corp. (The)
LW	Loew's Incorporated
LF	Loft Incorporated
LQ	Long-Bell Lumber Corp.
LO	Loose-Wiles Biscuit Co.
LO Pr	Loose-Wiles Biscuit Co., Pfd.
LOR	Lorillard Co. (P.)
LOR Pr	Lorillard Co. (P.), Pfd.
LL	Louisiana Oil Refining Corp.
LL Pr	Louisiana Oil Refg. Corp., Pfd.
LN	Louisville & Nashville
LOU	Louisville Gas & Electric Co.
LMS	Ludlum Steel

M

MAF	MacAndrews & Forbes Co.
MAF Pr	MacAndrews & Forbes Co., Pfd.
MQ	Mack Trucks, Inc.
MK	Mackay Companies
MZ	Macy (R. H.) & Co., Inc.
MAQ	Madison Square Garden Corp.
MMX	Magma Copper Co.
MAH	Mahoning Coal Railroad Co.
HK	Mallinson (H. R.) & Co.
HK Pr	Mallinson (H. R.) & Co., Pfd.
MNU	Manati Sugar Co.
MNU Pr	Manati Sugar Co., Pfd.
MB	Mandel Brothers, Inc.
MSY	Manhattan Electrical Supply Co.

MAN	Manhattan Railway
MAN	Manhattan Railway, Gtd. (Old)
MT	Manhattan Shirt Co.
MT Pr	Manhattan Shirt Co., Pfd.
MAB	Maracaibo Oil Exploration Co.
MRR	Market Street Railway
MR	Marlin-Rockwell Corp.
MMC	Marmon Motor Car Co.
MRT	Martin-Parry Corp.
AKL	Mathieson Alkali Works
AKL Pr	Mathieson Alkali Works, Pfd.
MA	May Department Stores Co.
MYG	Maytag Co. (The)
MW	McCall Corporation
MRY	McCrory Stores Corp.
MRY Pr	McCrory Stores Corp., Pfd.
MRY	McCrory Stores Corp. "B"
MCG	McGraw-Hill Publishing Co., Inc.
MTY	McIntyre Porcupine Mines
MV	McKeesport Tin Plate Co. (The)
MCK	McKesson & Robbins, Inc.
MLL	McLellan Stores Co.
MES	Melville Shoe Corporation
MGX	Mengel Company (The)
MGX Pr	Mengel Company (The), Pfd.
MGL	Metro-Goldwyn Pictures
MNO	Mexican Northern Ry.
MN	Mexican Petroleum Co., Ltd.
MSX	Mexican Seaboard Oil
MMP	Miami Copper Co.
MC	Michigan Central R. R.
MCH	Michigan Steel Corp.
MPZ	Mid-Continent Petroleum Corp.
MSO	Middle States Oil
MPO	Midland Steel Products Co.
MRC	Miller Rubber Co. (The)
MY Pr	Milwaukee El. Ry. & Li. Co., Pfd.
MHW	Minn.-Honeywell Regulator Co.
MMW	Minneapolis-Moline Power Implement Co.
MS	Minneapolis & St. Louis R. R.
MSM	Minn., St. P. & S. S. Marie Ry.
MSM LL	Minn., St. P. & S. S. M. L. Lines

MSM Pr	Minn., St. P. & S. S. M. Ry., Pfd.
KT	Missouri-Kansas-Texas
MOP	Missouri Pacific R. R.
M & B Pr	Mobile & Birmingham R. R., Pfd.
MOK	Mohawk Carpet Mills, Inc.
M	Montgomery Ward & Co.
MOO	Moon Motor Car Co.
MOL	Morrell (John) & Co., Inc.
MOS	Morris & Co., Ltd., Inc. (Philip)
ME	Morris & Essex R. R.
MOR	Mother Lode Coalition Mines Co.
MPX	Motion Picture Capital Corp.
MQU	Moto Meter Gauge Equip. Corp.
MPS	Motor Products Corp.
MRW	Motor Wheel Corporation
MNS	Mullins Manufacturing Corp.
MNS Pr	Mullins Mfg. Corp., Pfd.
MUN	Munsingwear, Inc.
MUY	Murray Corporation of America
MYR	Myers (F. E.) & Bro. Co. (The)

N

NSS	Nash Motors Co.
CHA	Nashville, Chattanooga & St. L.
NCM	National Acme Co.
NAS	National Air Transport, Inc.
NBH	National Bellas Hess Co., Inc.
BI	National Biscuit
NCR	National Cash Register Co. (The)
NPT	National Dairy Products Corp.
NX	National Dept. Stores, Inc.
NX Pr	National Dept. Stores, Inc., Pfd.
NAD	National Distillers Prod. Corp.
EGK	National Enameling & Stamping
LT	National Lead Co.
LT Pr	National Lead Co., Pfd. "A"
LT Pr	National Lead Co., Pfd. "B"
NPL	National Power & Light Co.
NRC	National Radiator Corp.
MX	National Rys. of Mexico
NSC	National Supply Co.

NSC Pr	National Supply Co., Pfd.
NSU	National Surety Co.
NTY	National Tea Company
NV	Nevada Consolidated Copper
NOX	New Orleans, Texas & Mexico Ry.
NEO	Newport Co. (The)
HAR	N. Y. & Harlem
AB	New York Air Brake Co.
CN	N. Y. Central
NKP	N. Y., Chicago & St. Louis
DK	New York Dock Co.
NL	N. Y., Lackawanna & Western
V	N. Y., N. H. & Hartford R. R. Co.
OW	N. Y., Ontario & Western
NRY Pr	N. Y. Railway Corp., Pfd.
NST	N. Y. State Railways
NSM Pr	N. Y. Steam Corporation, Pfd.
NSX	Newton Steel Co. (The)
NNK	Nickel Holdings Corp.
NFK	Norfolk & Western Ry. Co.
NFK Pr	Norfolk & Western Ry. Co., Adj. Pfd.
NS	Norfolk Southern R. R.
NA	North American Co.
NAE	North American Edison Co.
NGL	North German Lloyd of Bremen
NNX	Northern Central Ry.
NP	Northern Pacific
NWT	Northwestern Telegraph
NRT	Norwalk Tire & Rub. Co.
NRT Pr	Norwalk Tire & Rub. Co., Pfd.
NNY	Nunnally Company

O

OWY	Oil Well Supply Company
OWY Pr	Oil Well Supply Company, Pfd.
OF	Oliver Farm Equipment Co.
BUZ	Omnibus Corporation (The)
OPS	Oppenheim, Collins & Co., Inc.
OPX	Orpheum Circuit
OT	Otis Elevator Co.
OT Pr	Otis Elevator Co., Pfd.

OST	Otis Steel Co.
OTU	Outlet Company (The)
OTU Pr	Outlet Co. (The), Pfd.
OB	Owens-Illinois Glass Co.

P

PX	Pacific Coast Co.
PX Pr	Pacific Coast Co. (1st Pfd.)
PX Pr	Pacific Coast Co. (2nd Pfd.)
PCG	Pacific Gas & Elec. Co.
PLT	Pacific Lighting Corp.
PFS	Pacific Mills
PY	Pacific Oil
PAC	Pacific Tel. & Tel. Co.
PAK	Packard Motor Car Co.
PP	Pan-American Pet. & Trans. Co.
PPB	Pan-Am. Pet. & Trans., Class B
PPW	Pan-Amer. Western Pet. Co.
PDF	Panhandle Prod. & Refining Co.
FP	Paramount Famous Lasky Corp.
PKT	Park & Tilford
PUC	Park Utah Cons. Mines Co.
PTH	Pathe Exchange, Inc.
PAE	Patino Mines & Enterprises
PSS	Peerless Motor Car Corp.
PFK	Penick & Ford, Ltd., Inc.
PFK Pr	Penick & Ford, Ltd., Inc., Pfd.
PVX	Pennsylvania Coal & Coke Corp.
PXC	Penna.-Dixie Cement Corp.
PA	Pennsylvania R. R.
PO	Peoples Gas Lt. & Coke Co.
PE	Peoria & Eastern Ry.
PQ	Pere Marquette R. R.
PQR	Pere Marquette, Prior Pfd.
PET	Pet Milk Co.
PDO	Phelps Dodge Corp.
PH	Philadelphia Co.
PH Pr	Philadelphia Co. (5% Pfd.)
PH Pr	Philadelphia Co. (6% Pfd.)
PV	Philadelphia Rapid Transit
PRC	Phila. & Reading Coal & Iron Corp.

PJ	Phillips-Jones Corp.
PJ Pr	Phillips-Jones Corp., Pfd.
P	Phillips Petroleum Co.
PXY	Phoenix Hosiery Co.
PXY Pr	Phoenix Hosiery Co., Pfd.
PZ	Pierce Arrow Motor Car Co.
POL	Pierce Oil Corp.
PPX	Pierce Petroleum Corp.
PSY	Pillsbury Flour Mills, Inc.
PRL	Pirelli Co. of Italy
PW	Pittsburgh & West Va. Ry.
PT	Pitts., Cin., Chic., & St. L. R. R.
PC	Pittsburgh Coal Co. (of Penna.)
FW	Pitts., Ft. Wayne & Chicago
PMY	Pitts., McKeesport & Yough
PIT	Pittsburgh Screw & Bolt Corp.
PG Pr	Pittsburgh Steel Co., Pfd.
PPT	Pittsburgh Term. Coal Corp.
PPT Pr	Pittsburgh Term. Coal Corp., Pfd.
PYA Pr	Pitts., Youngstown & Ash., Pfd.
POR	Poor & Company
PRT	Porto Rican-Amer. Tobacco Co.
PST	Postal Telegraph & Cable Corp.
PF	Prairie Oil and Gas Co. (The)
PPI	Prairie Pipe Line Co. (The)
PSL	Pressed Steel Car Co.
PGM	Procter & Gamble Co. (The)
PFN	Producers & Refiners Corp.
PFN Pr	Producers & Refiners Corp., Pfd.
PYY	Pro-phy-lac-tic Brush Co.
PUB	Public Service Corp. of N. J.
PEG	Public Service Electric & Gas Co.
PU	Pullman Inc.
PQS	Punta Alegre Sugar Co.
PUY	Pure Oil Co.
PUY Pr	Pure Oil Co., Pfd.
PTY	Purity Bakeries Corp.

R

R	Radio Corporation of America
RKK	Radio-Keith-Orpheum Corp.

RSY	R. R. Securs. Co., Ill. Cent. Stock
ARX	Railway & Express Co.
RDM	Rand Mines
RAY	Raybestos-Manhattan, Inc.
RDG	Reading Co.
RSH	Real Silk Hosiery Mills, Inc.
RSH Pr	Real Silk Hosiery Mills, Inc. Pfd.
RIS	Reis & Co. (Robert)
RR	Remington Rand, Inc.
REM Pr	Remington Typewriter Co., Pfd.
RNS	Rensselaer & Saratoga R. R.
RY	Reo Motor Car Co.
RB	Republic Brass Corp.
RBC	Republic Iron & Steel
RSA	Reynolds Spring Co.
RJR	Reynolds (R. J.) Tobacco Co.
RJR	Reynolds (R. J.) Tob. Co. ("B")
RWE	Rhine-Westphalia El. Pwr. Corp.
RIL	Richfield Oil Co. of California
RGO	Rio Grande Oil Co.
RDL	Ritter Dental Mfg. Co., Inc.
ROS	Rossia Insurance Co. of America
RBP	Royal Baking Powder Co.
RD	Royal Dutch, N. Y. Shares
RV	Rutland R. R.

S

SAF	Safeway Stores, Inc.
SAF Pr	Safeway Stores, Inc., 6% Pfd.
SAF Pr	Safeway Stores, Inc., 7% Pfd.
JO	St. Joseph Lead Co.
FN	St. Louis-San Francisco R. R.
SS	St. Louis & Southwestern R. R.
SA	Savage Arms
SHO	Schulte Retail Stores Corp.
SHO Pr	Schulte Retail Stores Corp., Pfd.
SPP	Scott Paper Co.
SB	Seaboard Air Line
SVE	Seagrave Corporation (The)
S	Sears, Roebuck & Co.
SNI	Second Natl. Investors Corp.

SEN	Seneca Copper Mining Co.
SVL	Servel, Inc.
SSH	Sharon Steel Hoop Co.
SDH	Sharp & Dohme, Inc.
FHK	Shattuck Co. (Frank G.)
SH	Shell Transp. & Trad. Co., Ltd.
SUX	Shell Union Oil Corp
SHU	Shubert Theatre Corporation
SIM	Simmons Company
SV	Simms Petroleum Co.
SC	Sinclair Consol. Oil Corp.
SAV	Sixth Ave. R. R.
SYE	Skelly Oil Co.
SLS	Sloss Sheffield Steel & Iron
SNR	Snider Packing Corp.
SO	Solvay American Inv. Corp.
SCE	Southern California Edison Co.
SD	Southern Dairies, Inc.
SX	Southern Pacific
SZ	Southern Railway Co.
SRM	Southern Ry. (Mobile & O. Ctfs.)
PSU	South Porto Rico Sugar
PSU Pr	South Porto Rico Sugar, Pfd.
SDG	Spalding (A. G.) & Bros.
SDG Pr	Spalding (A. G.) & Bros. Pfd.
SCH	Spang, Chalfant & Co., Inc.
SCH Pr	Spang, Chalfant & Co., Inc., Pfd.
SKW	Sparks-Withington Co. (The)
SST	Spear & Company
SK	Spencer Kellogg & Sons, Inc.
SSY	Spicer Mfg. Corp.
SMS	Spiegel, May, Stern Co., Inc.
SBX	Standard Brands Incorporated
SDT	Standard Com. Tobacco Co.
SG	Standard Gas & Electric Co.
STD	Standard Investing Corp.
SM	Standard Milling
SM Pr	Standard Milling, Pfd.
SCD	Standard Oil Co. of California
J	Standard Oil Co. of New Jersey
NY	Standard Oil Co. of N. Y.
SGL	Standard Plate Glass Co.

SGL Pr	Standard Plate Glass Co., Pfd.
STA	Stanley Company of America
SLG	Sterling Securities Corp.
STX	Stewart-Warner Corp.
SW	Stone & Webster, Inc.
STU	Studebaker Corp.
STU Pr	Studebaker Corp., Pfd.
SUB	Submarine Boat Corp.
SUN	Sun Oil Company
SUN Pr	Sun Oil Company, Pfd.
SI	Superior Oil
SSU	Superior Steel
SWA	Sweets Co. of America, Inc.
SYZ	Symington Company (The)

T

TZ	Telautograph Corporation
TCC	Tennessee Copper & Chem. Corp.
T	Texas & Pacific Ry.
TX	Texas Corp. (The)
TG	Texas Gulf Sulphur Co.
TES	Texas Pacific Coal & Oil Co.
TXL	Texas Pacific Land Trust (New)
TXL	Texas Pacific Land Trust (Old)
TCH	Thatcher Manufacturing Co.
TAV	Third Ave. Ry.
THM	Thompson (John R.) Co.
TV	Tide Water Oil Co.
TV	Tide Water Asso. Oil Co. (New)
TDX	Timken-Detroit Axle Co. (The)
TKR	Timken Roller Bearing Co.
TB	Tobacco Products Corp.
TBS	Tobacco Prod. (Div. Ctfs.)
TP	Toledo, Peoria & Western R. R.
TD	Toledo Railways & Light Co.
TCN	Transcontinental Oil Co.
TU	Transue & Williams Stl. Frg. Corp.
TCO	Trico Products Corp.
TTC	Truax-Traer Coal Co.
TUX	Truscon Steel Co.
TWC	Twin City Rap. Tr. Co.
TWC Pr	Twin City Rap. Tr. Co., Pfd.

U

UNX	Underwood Elliott Fisher Co.
UNX Pr	Underwood Elliott Fisher, Pfd.
BP	Union Bag & Paper Corp.
UNC	Union Carbide & Carbon Corp.
UCL	Union Oil of California
UP	Union Pacific R. R. Co.
UP Pr	Union Pacific R. R. Co., Pfd.
UTX	Union Tank Car
UAF	United Aircraft & Trans. Corp.
UBC	United Biscuit Co. of America
UBP	United Business Publishers, Inc.
UCB	United Carbon Co.
UC	United Cigar Stores
U	United Corporation (The)
UDY	United Dyewood
UEL	United Elec. Coal Companies
UF	United Fruit Co.
UGI	United Gas Imp. Co. (The)
PB	United Paperboard
UW	United Piece Dye Works (The)
UM	U. S. Distributing Corp.
USX	U. S. Express Co.
UFO	U. S. Foreign Securities Corp.
UFG	U. S. Freight Co.
HMY	U. S. Hoffman Machinery Corp.
UD	U. S. Industrial Alcohol Co.
UX	U. S. Leather Co. (The)
CJ	U. S. Pipe & Foundry Co.
UZ	U. S. Realty & Improvement
RU	U. S. Rubber Co.
UV	U. S. Smelting, Refining & Min.
X	U. S. Steel
X Pr	U. S. Steel, Pfd.
UB	United States Tobacco Co.
UB Pr	U. S. Tobacco Co., Pfd.
UVV	Universal Leaf Tobacco Co., Inc.
UVV Pr	Univer. Leaf Tob. Co., Inc., Pfd.
UVP Pr	Universal Pictures Co., Inc., Pfd.
UVX	Universal Pipe & Radiator Co.
UVX Pr	Univ. Pipe & Radiator Co., Pfd.

UE	Utah Copper
ULA	Utilities Power & Light Corp.

V

VAD	Vadsco Sales Corp.
VA	Vanadium Corp. of Amer.
VRT	Van Raalte Co.
VRT Pr	Van Raalte Co., Pfd.
VIK	Vick Chemical Co.
VKS	Vicksburg, Shreve. & Pac. Ry. Co.
VC	Virginia-Carolina Chemical
VE	Virginia Electric & Power
VK	Virginia Iron, Coal & Coke
VK Pr	Virginia Iron, Coal & Coke, Pfd.
VX	Vulcan Detinning Co.

W

WA	Wabash Ry.
WXY	Waldorf System, Inc.
WAG	Walgreen Company
WAL	Walworth Company
WD	Ward Baking Corp. (Class A)
WD	Ward Baking Corp. (Class B)
WD Pr	Ward Baking Corp., 7% Pfd.
WBP	Warner Bros. Pictures Co.
QW	Warner-Quinlan Co.
WAR	Warren Brothers Co.
WAR Pf	Warren Brothers Co., Pfd.
WFP	Warren Foundry & Pipe Corp.
WBS	Webster Eisenlohr, Inc.
WF	Wells Fargo & Co.
WNO	Wesson Oil & Snowdrift Co., Inc.
WEP	West Penn Electric Co.
WPP Pr	West Penn Power Co., Pfd.
WYY	Western Dairy Products Co.
WM	Western Maryland Ry.
WR	Western Pacific R. R. Corp.
W	Western Union Telegraph Co.
WKM	Westinghouse Air Bk. Co. (The)
WX	Westinghouse Elec. & Mfg. Co.

WX Pr	Westinghouse El. & Mfg. Co., Pfd.
WZ	Weston Elec. Instrument Corp.
WCO	Westvaco Chlorine Products Co.
WXK	Wextark Radio Stores, Inc.
WL	Wheeling & Lake Erie Ry.
WEO	White Eagle Oil & Refining Co.
WHI	White Motor Co.
WHR	White Rock Mineral Springs Co.
WSW	White Sewing Machine Corp.
WXC	Wilcox (H. F.) Oil & Gas Co.
WLX	Wilcox-Rich Corporation
OV	Willys Overland
WIL	Wilson & Co., Inc.
WC	Wisconsin Central Ry.
Z	Woolworth & Co. (F. W.)
WPU	Worthington Pump & Mach. Corp.
WAC	Wright Aeronautical Corp.
WWY	Wrigley, Jr. & Co. (Wm.)

Y

YA	Yale & Towne Mfg. Co. (The)
YC	Yellow Truck & Coach Mfg. Co.
YG	Young (L. A.) Spring & Wire Corp.
YB	Youngstown Sheet & Tube Co.

Z

ZE	Zenith Radio Corp.

Bonds

A

AGS	Alabama Gt. Southern
AK	Alaska Gold Mines Co.
AV	Allegheny Valley
AO	American Cotton Oil Co.
AIG	Amer. I. G. Chemical Corp.
AGO	Anglo-Chilean Cons. Nitr. Corp.
ARG	Argentine Republic
AJS	Atch., Top. & S. Fe Adj. 4s, Stpd.
ASL	Atchison Trans. Short Line
ABM	Atlanta Birmingham
AKN	Atlanta, Knoxville & Cincinnati
AFU	Atlantic Fruit Co.
AUT	Australia (Commonwealth of)
AUS	Austrian Government Guaranteed Loan

B

BWV	Balt. & Ohio, Pitts., L. E. & W. Va.
BX	Balt. & Ohio Southwestern
BAV	Bavaria (Free State of)
BEL	Belgium, Kingdom of
BLP	Bell Telephone Co. of Penna.
BGN	Bergen (City of)
BLN	Berlin (City of)
BSY	Big Sandy Ry. (Ches. & Ohio)
BLV	Bolivia, Republic of
BDX	Bordeaux, City of (France)
BZ	Brazil, U. S. of
BWY	Broadway & Seventh Ave.
BN	Brooklyn, Queens Co. & Suburban
BRT	Brooklyn Rapid Transit
BUV	Brooklyn Union Elevated
BRS	Buenos Aires (City of)
BSQ	Buffalo & Susq. Iron Co.

C

CAB	Cairo Bridge (Illinois Central)
CGS	California Gas & Electric
CGU	Camaguey Sugar Company
CDN	Canada, Dominion of
CNO	Canadian Northern Ry.
CAR	Carolina Central
CB	Central Branch Union Pacific
CDT	Central District Telephone Co.
FX	Central Foundry
GO	Central of Georgia
CEP	Central Pacific
CBG	Central R. R. & Banking Co. of Ga.
CHE	Chicago & Erie
CW	Chicago & Western Indiana
Q	Chicago, Burlington & Quincy
CGL	Chicago Gas Light & Coke Co.
CST	Chicago, Mil. & St. Paul
CHR	Chicago Railways
CHU	Chicago Union Station
RCH	Chile (Republic of)
CHN	Chinese Govt.
CHO	Choctaw, Oklahoma & Gulf
CCG	Cincinnati Gas & Elec. Co.
CHD	Cincinnati, Hamilton & Dayton
CIN	Cincinnati, Ind., St. Louis & Chicago
CLN	Cincinnati, Lebanon & Northern
CLW	Cleveland, Lorain & Wheeling Ry. Co.
CLV	Cleveland Short Line
CDU	Cleveland Union Terminal
COL	Cologne (City of)
CLM	Colombia, Republic of
CMB	Columbus & Ninth Ave.
CML	Commercial Cable Co.
BGU	Compania Azucarera Baragua
CCM	Consolidation Coal Co. of Maryland
CGC	Consumers Gas of Chicago
CMS	Consumers Power Co.
COP	Copenhagen (City of)
CU	Cuba (Republic of)
CMT	Cumberland Tel. & Tel.
CZ	Czechoslovak, Republic.

D

DMU	Danish Consol. Mun. Loan
DEN	Denmark, Kingdom of
DRG	Denver & Rio Grande
DES	Des Moines & Ft. Dodge
DTU	Detroit River Tunnel Co.
DEE	Dodge Brothers, Inc.
DOM	Dominican Republic
DMX	Dominion Iron & Steel Co., Ltd.
DNR	Donner Steel Company
DI	Duluth & Iron Range
DEI	Dutch East Indies

E

ET	East Tenn., Va. & Ga.
ESU	Eastern Cuba Sugar Corp.
EKY	Edison Illum. Co. of Bklyn.
EPG	Electric Pw. Corp. of Germany
EJO	Elgin, Joliet & Eastern
EGL	Erie, General Lien

F

FMS	Federated Metals Corp.
FIN	Finland (Republic of)
FNU	Finnish Municipal Loan
FLA	Florida East Coast Ry.
FD	Fort Worth & Denver City
FMN	Framerican Indust. Dev. Corp.
FHS	French Natl. Mail S. S. Lines
FH	French Republic

G

GX	Galv., H. & San A., Mex. & Pac. Div.
GMA	General Motors Acceptance Corp.
GP	General Petroleum Corp.
GRL	General Steel Castings Corp.
GLA	Georgia & Alabama

GCN	Georgia, Carolina & Northern
GER	German External Loan
AEG	German General Electric
GHO	Good Hope Steel & Iron
GNT	Grand Trunk Ry.
CJP	Great Con. Elec. Pw. Co., Ltd. (Japan)
GPW	Great Falls Power Co.
GNR	Great Northern Ry.
PGU	Greater Prague, City of
GFI	Gulf & Ship Island R. R. Co.

H

HIT	Haiti, Republic of
HLM	Holland-America Line
HT	Houston & Texas Central
HTX	Houston, East & West Texas
HMX	Humble Oil & Refining Co.
HMU	Hungarian Cons. Mun. Loan
HUY	Hungary (Kingdom of)

I

ILT	Illinois Bell Telephone Co.
ILO	Ill. Central, Louisville Div.
ILX	Ill. Central, St. Louis Div.
IJ	(Ill. Central) Chic., St. L. & New Orleans Joint Bonds
ISC	Illinois Steel Co.
INA	Indiana, Illinois & Iowa
IG	Indiana Natural Gas & Oil Co.
INX	Indiana Steel Co.
IB	Interborough Metropolitan Co.
IT	Internatl.-Gt. Northn. R. R. Co.

J

JKM	Jamestown, Franklin & Clearfield
JP	Japanese Gov't.

K

KM	Kanawha & Michigan
KU	Kan. City, Ft. Scott & Memph. Ry. Co. 4% of (1936)
KNY	Kansas City Terminal
KY	Kentucky Central
KIN	Kings County El. Light & Pow.
KV	Kings County Elevated
KFO	Kresge Foundation (The)

L

LK	Lackawanna Steel Co.
EW	Lake Erie & Western
CLS	Lake Shore (N. Y. Central)
LS	Lake Shore & Mich. Southern
LRU	Lautaro Nitrate Co., Ltd.
LPZ	Leipzig (City of)
LX	Lexington Ave. & Pavonia Fer.
L	Liberty Loan U. S. Govt
LI	Long Island R. R.
LMO	Lou. & Nash., N. Orleans & Mob. Div.
LNS	L. & N. South. Monon. Joint 4s
LY	Lyons (City of) (France)

M

MNR	Manila Elec. R. R. & Lighting Corp.
MNV	Marion Steam Shovel Co.
MSS	Marseilles, City of (France)
ERR	McCormick (Edith Rockefeller) Trust
MTT	Metropolitan Edison Co.
MEX	Mexico, United States of
CMC	Michigan Central (N. Y. Cent.)
MVX	Midvale Steel & Ordnance Co.
MIL	Milwaukee & Northern
MOB	Mobile & Ohio
MOH	Mohawk & Malone
MON	Montana Central
MNT	Montana Power Co.
MOV	Montevideo (Uruguay), City of
MTL	Montreal Tramways
MRS	Morris & Co.

N

NFS	Nash., Florence & Sheffield
NU	Nassau Electric Ry.
MXO	National R. R. of Mexico
NSH	National Starch Co.
NTU	National Tube Co.
NNS	Netherlands (Kingdom of the)
NTT	New England Tel. & Tel. Co.
NPS	New Orleans Public Serv., Inc.
NSW	New South Wales (State of)
BMB	N. Y., Brooklyn & Manhattan Beach Ry. Co.
NYC	N. Y., (City of) Corporate Stock or Bonds
NNR	N. Y. Connecting R. R.
EF	N. Y. Edison Co.
HP	N. Y. Gas, El. Lt., Ht. & Pw. Co.
NLW	N. Y., L. E. & W. Dock & Imp.
NK	N. Y. State Canal Imp.
NYS	N. Y. State Highway
SSW	N. Y., Susq. & Western
NT	N. Y. Telephone Co.
WCR	N. Y., Westchester & Boston
NF	Niagara Falls Power Co.
NCK	Niagara, Lockport & Ontario Power Co.
NSO	Norfolk & Southern
NRD	Norfolk & W. New River Div.
NPO	Nor. & W. Pocohontas Coal Co.
NCT	North American Cement Corp.
NR	Northern Ohio
NLO	Northern Ohio Trac. & Light
NOR	Northern R. R. of Cal.
NPW	Northern States Power Co.
NWY	Norway, Kingdom of

O

OD	Ogdensburg & Lake Champlain
OHW	Ohio, Ind. & Western
OPV	Ohio Public Service Co.
OPW	Ontario Power, Niagara Falls
ONV	Oregon R. R. & Navigation
ORS	Oregon Short Line

ORW	Oregon-Wash. R. R. & Nav. Co.
ORV	Oriental Development Co., Ltd.
CRS	Oslo, City of (formerly Christiania)

P

PMO	Pacific R. R. of Missouri
PWY	Paramount Broadway Corp.
PRY	Paris-Lyons-Medit R. R. Co.
PLX	Park-Lexington
PAO	Penn., Ohio & Detroit R. R.
PBW	Phila., Balto & Washn
PRG	Phila. & Reading Coal & Iron Co.
PHI	Phil. Islands Land Grant
PSH	Pittsburgh, Shenango & L. E.
PUZ	Poland (Republic of)
PTX	Porto Alegre (City of)

Q

QN	Queensland (State of)

R

RJ	Reading Co., Jer. Cen. Coll. 4s
RRS	Remington Arms Co., Inc.
RHM	Rhein-Main-Danube Corp.
REL	Rhinelbe Union
RJN	Rio de Janeiro
RSU	Rio Grande do Sul (State of)
RGW	Rio Grande Western Ry. Co.
RGS	Rochester Gas & Elec. Corp.
RK	Rock Island Ark. & La.
ROT	Rotterdam (City of)

S

JG	St. Joseph & Grand Island Ry. Co.
SAK	St. Lawrence & Adirondack
MRZ	St. Louis & Cairo
IM	St. L., Iron Mt. & Southern

IMR	St. L., Ir. Mt. & S. Riv. & Gulf D.
STW	St. Louis, Peoria & N. Western
SLR	St. Louis, Rocky Mt. & Pac.
SSO	St. Louis Southern
SDU	St. Paul & Duluth
KCS	St. P. & Kan. City Short Line
MM	St. Paul, Minn. & Manitoba
SLU	St. Paul Union Depot Co.
SAP	San Antonio & Arkansas Pass
CSX	San Paulo (City of)
SAO	San Paulo (State of)
PSF	Sante Fe (Prov. of) (Argentine)
SVW	Savannah Fla & Western
SVY	Scioto Vy. & New England
SBF	Seaboard-All Florida Ry.
SE	Seine, Dept. of the
SSV	Serbs, Croats & Slovenes (Kingdom of the)
SUY	Sinclair Crude Oil Pur. Co.
SIP	Sinclair Pipe Line
SSS	Soissons (City of)
SNA	South & North Alabama
SBT	Southern Bell Telephone Co.
SWT	Southwestern Bell Tel. Co.
ORT	Sugar Estates of the Oriente
SWN	Sweden (Kingdom of)
SWZ	Swiss Confederation
SYR	Syracuse Lighting Co.

T

TI	Tenn. Coal, Iron & R. R. Co.
TPW	Tennessee Electric Power Co.
TAS	Terminal R. R. Assn. of St. L.
TTX	Texas & New Orleans
TYO	Tokyo (City of) (Japan)
TOC	Toledo & Ohio Central Ry.
TOU	Toledo, St. L. & Western Ry.
TWY	Tol. Walhonding Valley & O.
TUY	Trumbull Steel Co. (The)

U

UDL	Ulster & Delaware
CUV	Union Elevated of Chicago

UDD	United Drug Co. (of Del.)
UK	Un. King of Gt. B. & Ireland
NJ	United N. J. R. R. & Canal
USL	United Rys. Co. of St. Louis
SCP	United Steamship Co., Ltd., of Copenhagen
USW	United Steel Works Corp.
UGY	Uruguay (Republic of)
UH	Utah & Northern
UPW	Utah Power & Light Co.

V

VN	Vandalia R. R.
VW	Virginia & Southwestern
VM	Virginia Midland Ry.
VY	Virginia Ry. & Power Co.
VR	Virginian Ry.

W

WSU	Warner Sugar Ref. Co.
WCN	Washington Central Ry.
WS	West Shore R. R.
WH	Westchester Lighting Co.
WN	Western Electric Co., Inc.
WNY	Western N. Y. & Penn.
WRS	Western Pacific R. R. Co.
WEW	Westphalia United Electric Pwr. Corp.
WHX	Wheeling Steel Corp.
WIK	Wickwire Spencer Steel Co.
WE	Wilkesbarre & Eastern
WIN	Winchester Repeat. Arms Co.
WCS	Wisc., Cen. Sup. & Duluth Div.

United States Government Bonds

US	U. S. Government Securities
US	U. S. Treasury
PAN	Panama Canal
PHI	Philippine Islands

Security Symbols—New York Curb Exchange

SECURITY SYMBOLS AND ABBREVIATIONS
STOCKS AND BONDS

New York Curb Exchange

Notes.

Words and Phrases.

List of Stocks arranged alphabetically according to names of Stocks.

List of Bonds arranged alphabetically according to names of Bonds.

Notes

One price following the name of a stock on the ticker tape signifies a sale of 100 shares at that price, thus: SN.61.

When more than 100 shares are sold, the number of shares sold will precede the price, thus 500 shares sold is recorded as, SN 5.61. Odd lots will be printed thus: 10.SS.61.

When the volume and full figures are dropped, the opening transaction in stocks will be printed on the tape in full, for example: SN. 5.61, and subsequent sales will be printed: 1¼, 1⅜ or 1½, as the case may be.

If the stock recedes to below 60, it will be printed 59⅞, 9½, 9⅛, etc.

A single price after the name of a bond indicates a sale of $1,000 bonds at that price.

An offer alone, without a bid, is preceded by an 0 and a dot, thus: SN. 0.61.

A bid alone, without an offer, is followed by the letter B, thus: SN. 61.B.

A cash sale will be printed thus: SN.61 cash.

When a sale is not reported in its proper place the price will be preceded by the abbreviation SLD, thus: SN.SLD.61.

When the amount sold and the price are so nearly alike that they may be taken for two sales, the amount of the sale will be followed by the letter S and a dot, thus: SN.60S.61, meaning Standard Oil Co. of Indiana 6,000 shares at 61.

When an error has been made by the reporter, or in printing, the last letter or figure is repeated several times, indicating that the quotation is to be thrown out, thus: SN.61111 or 61¼¼¼¼.

Buyer's or Seller's option contracts will be printed thus: SN.4.61Seller 4 or 4.61 Buyer 4.

"At Three days" contracts will be printed thus: SN.61 at 3 days.

Delivery time will be printed on the tape at 2:15 p. m., the recognized time for the settlement of transactions made in the Exchange.

Stocks selling less than one dollar will be printed in sixteenths thus: ABC.10.S.1.16 or ABC.10.S.15.16.

A "run" of sales will appear as follows: ABC.4⅛-¼-⅛-¼-⅜-½ or ABC.10S.1.16.20.S.3.16.

The column headed "Unit" refers to the unit of trading, printing and delivery. If a stock has a unit other than 100 or 1,000 shares, such special unit is shown. If no unit is shown, it signifies that the unit of trading, printing and delivery of the stock is either 100 shares or 1,000 shares, depending on the price at which a transaction is made, i.e., stocks selling at ½ and over the unit is 100 shares and stocks selling below ½ the unit is 1,000 shares.

Transactions in amounts less than the unit are not printed if there is an objection with the exception of transactions closed "under the rule."

Words and Phrases

AJ Adjustment.
AO April and October.
A Assented, Class A.
BNK Bank.
B Bonds, Class B, or (in figs.) bid or buyer.
BR Bond Rights.
CT Certificate.
C Class C, Coupon, or (in figs.) Cents.
CLT Collateral trust.
CMP Compromise.
CN Consolidated.
CV Convertible.
CY Currency.
CB Currency bonds.
D Debenture or division.
DE Deferred.
DR Debenture Rights.
E East or Eastern.
EXT Extended, Extension or External.
FA February and August.
I First.
F Flat, without interest.
FD Funding.
GM General Mortgage.
GB Gold bonds.
GTD Guaranteed.
IMP Improvement.
IN Income.
INL Internal.
IRG Irrigation.
JJ January and July.
JD June and December.
GNT Land Grant.
LG Large bonds.
LL Leased Lines.
MS March and September.
MAT Matured.
ML Main Line.

MN May and November.
MTG Mortgage.
N New.
NB New Bonds.
NS New Series.
NF Non-fundable.
NR Note Rights.
NV Non-Voting.
O (In figures), Offered.—Old.
OB Opening of books.
PR Preferred.
PRM Premium.
RES Rescission.
REG Registered.
RO Restoration.
R Rights.
S South, Stock, Series, or (in figures) Seller, or Shares.
II Second.
SC Scrip.
SF Sinking Fund.
SB Small bonds.
ST Stamped.
T Stock Trust Ctfs.
TX Tax.
TE Tax Exempt.
III Third.
TZY Treasury.
TR Trust receipts.
UA Unassented.
UR Under the Rule.
UN Unified.
US Unstamped.
V Voting Trust Ctfs.
W West or Western.
WI When Issued.
WS Warrants.
WW With Warrants.
XC Ex-coupon.
XD Ex-dividend.
XI Ex-interest.
XW Without Warrants.

Stocks

A

ABT	Abbott Laboratories (Com.)
ACR A	Acetol Products, Inc. (Conv. "A")
ACM	Acme Steel Co.
ASM	Adams (J. D.) Mfg. Co. (Com.)
ADR	Adriatic Electric Co. (Amer. Dep. Rec.)
AOL Pr	Aeolian Co. (The) (7% Pfd.)
ALW	Aeolian-Weber Piano & Pianola Co. (Com.)
ALW V	Aeolian-Weber Piano & Pianola Co. (VTC Com.)
ALW Pr	Aeolian-Weber Piano & Pianola Co. (7% Pfd.)
AUL	Aeronautical Industries, Inc.
AUL WS	Aeronautical Industries, Inc. (Wts., Series "A")
AER A	Aero Supply Mfg. Co., Inc. (Class "A")
AER B	Aero Supply Mfg. Co., Inc. (Class "B")
AOU	Aero Underwriters Corp.
AEF	Aetna Rubber Co. (The) (Com.)
AGN	Agfa Ansco Corp. (Com.)
AGN Pr	Agfa Ansco Corp. (Pfd.)
AIR	Ainsworth Mfg. Corp (Com.)
ARV V	Air Investors, Inc. (VTC Com.)
ARV CV Pr	Air Investors, Inc. (Conv. Pref.)
ARI V	Airstocks, Inc. (VTC)
AGS	Alabama Great Southern R. R. (Ord.)
AGS Pr	Alabama Great Southern R. R. (Pref.)
ALP 7 Pr	Alabama Power Co. ($7 Pfd.)
ABR Pr	Albert Pick, Barth & Co., Inc. (Part Pfd.)
ABR V	Albert Pick, Barth & Co., Inc. (VTC Com.)
AID	Alexander Industries, Inc. (Com.)
ALH	Allegheny Gas Corp. (Com.)
AGL Pr	Allegheny Steel Co. (7% Pfd.)
ALF A CV Pr	Allen Mfg. Co., Inc. ("A" Conv. Pref.)
ALF B	Allen Mfg. Co., Inc. ("B" Stock)
ALN	Allen Oil Co.
AFS	Alles & Fisher, Inc. (Com.)
ALV WW	Allied Aviation Industries, Inc. (with Wts.)
AIC	Allied International Investing Corp. (Com.)

AIC CV Pr	Allied International Investing Corp. ($3 Conv. Pfd.)
AKR CV Pr	Allied Kid Co. ($6.50 Conv. Pfd.)
AMG	Allied Mills, Inc.
AIO	Allied Motor Industries, Inc. (Com.)
AIO Pr	Allied Motor Industries, Inc. ($4 Pfd.)
ALX	Allied Power & Light Corp. (Com.)
ALX I Pr	Allied Power & Light Corp. (1st Pfd., $5 Series)
ALX Pr	Allied Power & Light Corp. (Pref., $3 Series)
ALE A	Allied Products Corp. ("A" Conv. Com.)
ADU A	Allison Drug Stores Corp. ("A" Conv.)
ADU B	Allison Drug Stores Corp. ("B")
ATO CV Pr	Altorfer Bros. Co. (Conv. Pref.)
ALI	Aluminum, Ltd.
AA	Aluminum Co. of America (Pa.) (Com.)
AA Pr	Aluminum Co. of America (Pa.) (6% Pfd.)
AA WS	Aluminum Co. of America (Pa.) (Warrants)
ALG	Aluminum Goods Manufacturing Co.
AMV	Aluminum Industries, Inc. (Com.)
ALU	Aluminum Manufacturers, Inc. (Com.)
ADG	Amalgamated Sugar Co. (Com.)
ADG V	Amalgamated Sugar Co. (VTC.)
AFW II PD	American & Foreign Pw. Co., Inc. (Part Pd. Allot. Ctfs., 50% Pd.) (2nd Pd.)
AFW WS	American & Foreign Power Co., Inc. (Option Wts.)
ASI	American & Scottish Investment Co. (Com.)
ACH	American Arch Co. (Com.)
AEK A	American Bakeries Corp. ("A" Stock)
AEK Pr	American Bakeries Corp. (7% Pfd.)
ABV	American Beverage Corp.
ABO	American Book Co.
ABH	American British & Continental Corp. (Com.)
BOV F	American Brown Boverie Elec. Corp. (Founders Shs.)
ACP V	American Canadian Properties Corp. (VTC)
ACN	American Chain Co., Inc. (Com.)
ACG	American Cigar Co. (Com.)
ACG Pr	American Cigar Co. (Pfd.)
AIW A	American Cities Pw. & Lt. Corp. (Conv. A Opt. Div. Series)

AIW B	American Cities Pw. & Lt. Corp. ("B" Stock)
AOY	American Colortype Co. (Com.)
ACX A	American Commonwealth Pw. Corp. ("A" Com.)
ACX B	American Commonwealth Pw. Corp. ("B" Com.)
ACX O	American Commonwealth Pw. Corp. (Option Wts.)
ACO	American Controlled Oilfields, Inc.
ACY A	American Cyanamid Co. ("A" Vt. Com.)
ACY B	American Cyanamid Co. ("B" Non-Vt. Com.)
ACY Pr	American Cyanamid Co. (Pfd.)
ADP I Pr	American Department Stores Corp. (1st Pfd. A 7% Conv.)
ADP	American Dept. Stores Corp. (Com.)
ADI CV Pr	American District Telegraph Co. of N. J. (7% Conv. Pfd.)
AEL	American Electric Power Co. (Com.)
AQU	American Equities Company (Com.)
AFH	American Fork & Hoe Co. (The) (Com.)
AGC	American Gas & Electric Co. (Com.)
AGC Pr	American Gas & Electric Co. (Pfd.)
AGH	American Glue Co. (Com.)
AHW	American Hardware Corp. (The)
AVZ B	American Investors, Inc. (Com. "B")
AVZ WS	American Investors, Inc. (Opt. Wts.)
AMY	American Laundry Machinery Co. (Com.)
AML	American Light & Traction Co. (Com.)
AML Pr	American Light & Traction Co. (Pfd.)
AIZ	American Maize-Products Co. (Com.)
AMF	American Manufacturing Co. (Com.)
AMF Pr	American Manufacturing Co. (Pfd.)
AMQ	American Maracaibo Co.
AEM	American Meter Co.
ANS	American Natural Gas Corp. (Com.)
APX	American Phenix Corp. (Gen. Stk.)
ANU	American Pneumatic Service Co. (Com.)
ANU 6% Pr	American Pneumatic Service Co. (6% 2nd Pfd.)
ANU 7% Pr	American Pneumatic Service Co. (7% 1st Pfd.)
AIP Pr	American Products Co. ($2 Part. Pref.)

APS Pr	American Public Service Co. (7% Pfd.) ....
APT	American Public Utilities Co. (Com.) .....
APT P Pr	American Public Utilities Co. (Part. Pfd.)..
APT 7% Pr	American Public Utilities Co. (7% Prior Pfd.) .....
AYZ	American Rayon Products Corp. .....
APU Pr	American Republics Corp. (7% Pfd.).....
ALA	American Salamandra Corp. (Gen. Stk.)...
AI	American Sales Book Co., Ltd. (Com.) ....
ASV	American Solvents & Chemical Corp. (Dela.) (Com.) .....
ASV P Pr	American Solvents & Chemical Corp. (Dela.) ($3 Conv. Pref.) .....
AMT	American Stove Co. .....
ASE A	American States Public Service Co. (Com. "A") .....
ASW 1 Pr	American Superpower Corp. (Dela.) (1st Pfd.) .....
ASW S Pr	American Superpower Corp. ($6 Series Pfd.)
ASW	American Superpower Corp. (Com.) .....
AQ A	American Thermos Bottle Co. (Class "A" Com.) .....
TH Pr	American Thread Co. (The) (Pfd.) .....
ATC	American Transformer Co. (Com.) .....
AVP	American Vitrified Products Co. (Com.) ...
AVP Pr	American Vitrified Products Co. (Pfd.) ....
AWG Pr	American Window Glass Co. (7% Pfd.) ....
AMW	American Window Glass Machine Co. (Com.)
AMW Pr	American Window Glass Machine Co. (7% Pfd.) .....
AMW COD	American Window Glass Machine Co. (C.O.D. for Com.) .....
AMW Pr COD	American Window Glass Machine Co. (C.O.D. for Pfd.) .....
AYV	American Yvette Co., Inc. (Com.) .....
AYV CV PR	American Yvette Co., Inc. (Conv. Pref.) ...
AKM	Amoskeag Mfg. Co. (Receipts) .....
AMC	Amrad Corporation (The) (Com.) .....
ATR	Amsterdam Trading Co. (Amer. Shs.) .....
AOR	Anchor Post Fence Co. (Com.) .....
ANT WS	Andian National Corp., Ltd. (Warrants) ...

ANG V COD	Anglo-American Oil Co., Ltd. (Ctfs. of Dep. in registered form for Vt. Shs.)
ANG N V COD	Anglo-American Oil Co., Ltd. (Ctfs. of Dep. in registered form for Non-Vt. Shares)
AGO	Anglo-Chilean Cons. Nitrate Corp. (Com.)
ANH	Anglo-Norwegian Holdings, Ltd. (Com.)
ANH Pr WW	Anglo-Norwegian Holdings, Ltd. (7% Pfd. with Wts.)
AGP	Anglo-Persian Oil Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
AGP 1 Pr	Anglo-Persian Oil Co., Ltd. (Amer. Dep. Rec. 1st Pref.) (Reg.)
AGP 2 Pr	Anglo-Persian Oil Co., Ltd. (Amer. Dep. Rec. 2nd Pref.) (Reg.)
AUY Pr A	Angus Company (The) ($4 Pfd. "A")
AUY V	Angus Co. (The) (New VTC for Com.)
APM A	Apco Mossberg Corp. (Class "A")
APE	Apex Electrical Mfg. Co. (The) (Com.)
APC	Appalachian Power Co. (Com.)
APC Pr	Appalachian Power Co. (Pfd.)
APG	Apponaug Company (The) (Com.)
APG Pr	Apponaug Company (The) (6½% Pfd.)
ARC	Arctic Dairy Products Co. (Com.)
ATU	Arcturus Radio Tube Co. (Com.)
ARO	Argo Oil Co.
AZC	Arizona Commercial Mining Co.
AZG	Arizona-Globe Copper Co.
AZP	Arizona Power Co. (Com.)
AKS	Arkansas Natural Gas Corp. (Com.)
AKS Pr	Arkansas Natural Gas Corp. (6% Pfd.)
AKS A	Arkansas Natural Gas Corp. ("A" Com.)
AKP Pr	Arkansas Power & Light Co. ($7 Pfd.)
AMR A	Armour & Co. (Ill.) ("A" Com.)
AMR B	Armour & Co. (Ill.) ("B" Com.)
ACK	Armstrong Cork Co. (Com.)
ALD WS	Arnold Print Work (Warrants)
AHH	Arrow-Hart & Hegeman Electric Co. (Com.)
ARW	Art Medal Works, Inc. (Com.)
ARU	Arundel Corp. (Com.)
ABL	Asbestos Corp., Ltd. (Com.)
ABL Pr	Asbestos Corp., Ltd. (7% Pref.)
ADY	Associated Dyeing & Printing Corp.

AOE	Associated Electrical Industries, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
AGA	Associated Gas & Electric Co. (Class "A")
AGA DB R	Associated Gas & Electric Co. (Deb. Rights)
AGA R WI	Associated Gas & Elec. Co. (Rights) "WI"
ASX	Associated Laundries of America, Inc. (Com.)
APL	Associated Portland Cement Mfr's, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
ARY	Associated Rayon Corp. (Com.)
ARY Pr	Associated Rayon Corp. (6% Conv. Pfd.)
AAB Pr	Atlanta, Birmingham & Coast R. R. Co. (Pfd.)
ATL	Atlantic Coast Fisheries Co. (Com.)
AFU	Atlantic Fruit & Sugar Co. (Com.)
AGU	Atlantic Gulf Oil Corp. (Com.)
ALS	Atlantic Lobos Oil Co. (Com.)
ALS Pr	Atlantic Lobos Oil Co. (Pfd.)
AIS A	Atlas Imperial Diesel Engine Co. (Class "A")
AGW	Atlas Light & Power Co., Ltd. (Amer. Dep. Rec. Ord. Reg.)
AWO	Atlas Plywood Corp.
APO	Atlas Portland Cement Co. (Com.)
APO Pr	Atlas Portland Cement Co. (Pfd.)
ASO	Atlas Stores Corp. (Com.)
ACB	Austrian Central Land Credit Bank (Amer. Shs.)
AUR	Automatic Voting Machine Corp. (Com.)
AUR CV	Automatic Voting Machine Corp. (Conv. Pr. Part. Stk.)
AWR CV Pr	Automatic Washer Co. (Conv. Pref.)
AVI	Aviation Corp. of the Americas
AIT	Aviation Credit Corp.
AEV	Aviation Securities Corp.
ATX A	Axton-Fisher Tobacco Co. (The) ("A" Com.)

B

BAW	Babcock & Wilcox Co. (The)
BBK	Babcock & Wilcox, Ltd. (Amer. Dep. Rec. Ord. Reg.)
BKW	Backstay Welt Co. (Com.)

BHI	Bahia Corporation (The) (Com.)
BHI Pr	Bahia Corporation (The) (7% Pref.)
BKZ V	Balaban & Katz Corp. (VTC Com.)
BKZ Pr	Balaban & Katz Corp. (7% Pfd.)
BX	Baldwin Co. (The) (Com.)
BMO	Baltimore Tube Co., Inc. (Com.)
BMO Pr	Baltimore Tube Co., Inc. (Pfd.)
BAT N	Bancomit Corp. (New Com.)
BCF	Bancroft (Joseph) & Sons Co. (Com.)
BCF Pr	Bancroft (Joseph) & Sons Co. (7% Pfd.)
BOT	Barcelona Tract. Lt. & Pw. Co., Ltd. (Ord.)
BOT Pr	Barcelona Tract. Lt. & Pw. Co., Ltd. (7% Pref.)
BAS	Bastian-Blessing Co. (The) (Com.)
BAX A	Baxter Laundries, Inc. ("A" Com.)
BES	Bearings Co. of America (Com.)
BES 1 Pr	Bearings Co. of America (1st Pfd.)
BLG Pr	Belgo Canadian Paper Co., Ltd. (7% Pfd.)
BAC V	Bellanca Aircraft Corp. (VTC for Com.)
BTC	Bell Telephone Co. of Canada
BLT Pr	Bell Telephone Co. of Penna. (The) (6½% Pfd.)
BEN A	Benesch (Isaac) & Sons, Inc. ("A" Com.)
BEN 1 Pr	Benesch (Isaac) & Sons, Inc. (8% 1st Pfd.)
BJW	Benjamin Winter, Inc. (Com.)
BNS	Benson and Hedges (Com.)
BNS Pr	Benson and Hedges (Conv. Pref.)
BCS	Bentley Chain Stores, Inc. (Com.)
BCT	Berkshire Cotton Mfg. Co.
BIK	Bickfords, Inc. (Com.)
BIK Pr	Bickfords, Inc. ($2.50 Conv. Pref.)
BHC	Bigelow-Hartford Carpet Co. (Com.)
BHC Pr	Bigelow-Hartford Carpet Co. (6% Pfd.)
BGL Pr	Binghamton Light, Heat & Power Co. ($6 Pfd.)
BIR Pr	Birmingham Electric Co. ($7 Pfd.)
BIT	Birtman Electric Co. (Com.)
BDK	Black & Decker Mfg. Co. (The) (Com.)
BLA	Blauners's (Com.)
BKX	Blaw-Knox Co.
BLS	Bliss (E. W.) Corp. (Dela.) (Com.)
BDG	Blue Ridge Corp. (Com.)

BDG CV Pr	Blue Ridge Corp. (Opt. 6% Conv. Pref. Series of 1929)
BSH	Blyn Shoes, Inc. (Com.)
BSH Pr	Blyn Shoes, Inc. (Pfd.)
BHK	Bohack (H. C.) Co., Inc. (Com.)
BHK 1 Pr	Bohack (H. C.) Co. (7% 1st Pfd.)
BPD	Boot's Pure Drug Co., Ltd. (Amer. Dep. Rec. Ord. Reg.)
BAB	Borg & Beck Co.
BRV CV Pr	Borin-Vivitone Corp. (Conv. Pref.)
BRS	Borne-Scrymser Co.
BOA	Boston & Albany Railroad Co.
BMR A ST	Boston & Maine R. R. ("A" Pfd.) Stamped
BMR B ST	Boston & Maine R. R. ("B" Pfd.) Stamped
BMR C ST	Boston & Maine R. R. ("C" Pfd.) Stamped
BMR D ST	Boston & Maine R. R. ("D" Pfd.) Stamped
BMR Pr ST	Boston & Maine R. R. (Pfd.) Stamped
BMX	Boston Mexican Pet. Trustee's Ctfs. (Ord.)
BSW	Boston Woven Hose & Rubber Co. (Com.)
BYM	Botany Consolidated Mills, Inc. (Com.)
BBH	Bowman-Biltmore Hotels Corp. (Com.)
BBH 7% Pr	Bowman-Biltmore Hotels Corp. (7% 1st Pfd.)
BBH 2 Pr	Bowman-Biltmore Hotels Corp. (2nd Pfd.)
BRH	Brach (E. J.) & Sons (Com.)
BL	Brazilian Tract. Lt. & Pw. Co., Ltd. (Ord.)
BL Pr	Brazilian Tract. Lt. & Pw. Co., Ltd. (6% Pfd.)
BGT	Bridgeport Gas Light Co. (The)
BGT R	Bridgeport Gas Light Co. (Rights)
BHY	Bridgeport Hydraulic Co.
BPM	Bridgeport Machine Co. (Com.)
BPM Pr	Bridgeport Machine Co. (Pfd.)
BHR A	Bright Star Electric Co. (The) (Class "A")
BHR B	Bright Star Electric Co. (The) (Class "B")
BIL A	Brill Corp (The) ("A")
BIL B	Brill Corp. (The) ("B")
BIL Pr	Brill Corp. (The) (7% Pfd.)
BLO	Brillo Mfg. Co., Inc. (Com.)
BLO A	Brillo Mfg. Co., Inc. ("A")
BLU R	British Aluminum Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)

BQ B	British-American Tob. Co., Ltd. (Amer. Dep. Rec. Ord.) (Bearer)
BQ R	British-American Tob. Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
BQ Pr B	British-American Tob. Co., Ltd. (Amer. Dep. Rec. Pref.) (Bearer)
BQ Pr R	British-American Tob. Co., Ltd., (Amer. Dep. Rec. Pref.) (Reg.)
BRO C	British-American Oil Co., Ltd. (Coupon)
BRO R	British-American Oil Co., Ltd. Reg.)
BCN	British Celanese, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
BCN 1 Pd	British Celanese, Ltd. (1st Paid Sub. Rec.)
BMH	British Match Corp., Ltd. (Amer. Dep. Rec. Ord. Reg.)
BSO	British South Africa Co. (Amer. Dep. Rec.)
BUS	British United Shoe Machinery Co., Ltd. (Amer. Dep. Rec. Ord. Reg.)
BDT 1 Pr WW	Broadway Dept. Stores, Inc. (7% 1st Pfd.) (With Wts.)
BKT V	Brockton Gas Light Co. (Stock Tr. Ctfs.)
BPP	Brompton Pulp & Paper Co., Ltd. (Com.)
BWN Pr	Brown Company (6% Pfd.)
BFW A	Brown Fence & Wire Co. ("A" Conv. Pfd.)
BFW	Brown Fence & Wire Co. ("B" Com.)
BRU	Bruce (E. L.) Co. (Com.)
BSM	Bruck Silk Mills, Ltd.
BIN	Buckeye Incubator Co. (Com.)
BKP	Buckeye Pipe Line Co.
BKS	Buckeye Steel Castings Co. (Com.)
BWL	Budd Wheel Co. (Com.)
BWL N WI	Budd Wheel Co. (New Com.) "WI"
BUW	Buffalo, Niagara & East. Pw. Corp. (Com.)
BUW A	Buffalo, Niagara & East. Pw. Corp. (Class "A")
BUW A D	Buffalo, Niagara & East. Pw. Corp. (Dep. Rec. for "A")
BUW D	Buffalo, Niagara & East. Pw. Corp. (Dep. Rec. for Com.)
BUW Pr	Buffalo, Niagara & East. Pw. Corp. (Pfd.)
BVA Pr	Bulova Watch Co., Inc. ($3.50 Conv. Pfd.)

BUK	Bunker Hill & Sullivan Mng. & Concentrating Co.
BNT	Bunte Brothers (Com.)
BCO	Burco, Inc. (Com.)
BCO CV Pr	Burco, Inc. (6% Conv. Pfd., Series 1929)
BCO WS	Burco, Inc. (Stock Purchase Warrants)
BUR	Burdines, Inc. (Com.)
BUH	Burma Corp., Ltd. (Amer. Dep. Rec.)
BUO	Burmah Oil Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
BUC	Burt (F. N.) Co., Ltd. (Com.)
BUB	Butler Bros.
BWA	Bwana M'Kubwa Copper Mng. Co., Ltd. (Amer. Shs.)
BCZ	Buzza Clark, Inc. (Com.)
BJP	Byron Jackson Pump Co. (Com.)

C

CBL V	Cable Radio Tube Corp. (VTC Com.)
CBW A	Cables & Wireless, Ltd. (Amer. Dep. Rec. 7½% "A" Ord.)
CBW B	Cables & Wireless, Ltd. (Amer. Dep. Rec. "B" Ord.)
CBW Pr	Cables & Wireless, Ltd. (Amer. Dep. Rec. 5½% Pref.)
CDY	Cady Lumber Co. (Com.)
CDY Pr	Cady Lumber Co. (7% Conv. Pfd.)
CDU	Camden Fire Insurance Association
CAN Pr	Canada Bread Co., Ltd. (7% Pfd.)
CAN	Canada Bread Co., Ltd. (Com.)
CDX	Canada Steamship Lines, Ltd. (Com.)
CDX Pr	Canada Steamship Lines, Ltd. (6% Pfd.)
CBO	Canadian Brewing Corp., Ltd. (Com.)
CDZ	Canadian Bronze Co., Ltd. (Com.)
CCF	Canadian Car & Foundry Co., Ltd. (Com.)
CCF Pr	Canadian Car & Foundry Co., Ltd. (Pfd.)
CCW	Canadian Cottons, Ltd. (Com.)
CCW Pr	Canadian Cottons, Ltd. (6% Pfd.)
CDL A	Canadian Industrial Alcohol, Ltd. "A"
CMW	Canadian Marconi Co.
CAP	Capital Traction Co.

CSG	Caracas Sugar Co.
CQ	Carib Syndicate, Ltd. (Com.)
CCI A	Carman & Co., Inc. (Conv. "A")
CCI B	Carman & Co., Inc. ("B" Stock)
CMK N WI	Carnation Co. (New Com.) "WI"
CMK	Carnation Milk Products Co. (Com.)
CET	Carnegie Metals Co. (Com.)
CPO Pr	Carolina Power & Light Co. ($7 Pfd.)
CAE A	Carreras, Ltd. (Amer. Dep. Rec. "A" Ord.)
CAE B	Carreras, Ltd. (Amer. Dep. Rec. "B" Ord.)
CAE R	Carreras, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
CAS	Castle (A. M.) & Co.
CRM	Caterpillar Tractor Co.
CCO	Ce-Co Manufacturing Co., Inc. (Com.)
CLZ 1 Pr	Celanese Corp. of Amer. (7% 1st Part. Pfd.)
CLZ	Celanese Corp. of America (Com.)
CLZ N Pr	Celanese Corp. of Amer. (New 7% Series Prior Pfd.)
CEL	Celluloid Corp. (Com.)
CEL Pr	Celluloid Corp. ($7 Div. Pfd.)
CEL 1 Pr	Celluloid Corp. (1st Pfd. Part.)
CTL V	Central Atlantic States Service Corp. (VTC) (Com.)
CSO	Central & South West Utilities Co. (Com.)
CSO PL	Central & South West Utilities Co. ($7 Pr. Lien)
CSO Pr	Central & South West Utilities Co. ($7 Pfd.)
CFR V	Central Fire Insurance Co. of Balti. (VTC)
CEH V	Central Hudson Gas & Elec. Corp. (VTC Com.)
CLP Pr	Central Illinois Public Service Co. ($6 Pfd.)
CIP Pr	Central Indiana Power Co. (7% Pfd.)
CEW Pr	Central Power & Light Co. (Mass.) (7% Pfd.)
CPV	Central Public Service Co. (Dela.) (Com.)
CEQ A	Central Public Service Corp. (Md.) (Class "A")
CSE	Central States Elec. Corp. (Com.)
CSE Pr	Central States Elec. Corp. (7% Pfd.)
CSE 6 Pr WW	Central States Elec. Corp. (Pfd., 6% Series, with Wts.)

CSE 6 Pr XW	Central States Elec. Corp. (Pfd., 6% Series, without Wts.)
CSE CV Pr	Central States Elec. Corp. (Conv. Pfd., Optional Div. Series)
CSE WS	Central States Elec. Corp. (Warrants)
CSE CV Pr N	Central States Elec. Corp. (Conv. Pfd., Opt. Div. Series of 1929)
CPI	Centrifugal Pipe Corp.
CER	Century Electric Co.
CBC	Chain Belt Company
CHV	Chain Store Development Corp. (Com.)
CSP Pr	Chain Store Products Corp. (Part. Pfd.)
CSK	Chain Stores Stocks, Inc.
CHP	Charis Corporation (Com.)
CO N WI	Chesapeake & Ohio R. R. Co. (New) "WI"
CBM	Chesebrough Mfg. Co. (Cons.) (Com.)
NW R WI	Chicago & Northwestern Rwy. Co. (Rights) "WI"
CDW	Chicago Daily News, Inc. (The) (Com.)
CCN A	Chicago Nipple Mfg. Co. (Class "A")
CGO	Chicago, North Shore & Mil. R. R. Co. (Com.)
CGO PL	Chicago, North Short & Mil. R. R. Co. (7% Pr. Lien)
CGO Pr	Chicago, North Shore & Mil. R. R. Co. (6% Pfd.)
CRL	Chicago Railway Equipment Co. (Com.)
CRL Pr	Chicago Railway Equipment Co. (7% Pfd.)
CFC	Chief Consolidated Mining Co.
CDI Pr	Childs Co. (Pfd.)
CNN	Cin. & Suburban Bell Tel. Co.
CBK PR	Cincinnati Ball Crank Co. ($2.25 Conv. Part. Pfd.)
CCE	Cincinnati Street Railway
CSB	Cities Service Co. (Bankers)
CSV	Cities Service Co. (Com. Cash Scrip)
CSV	Cities Service Co. (Com. Stock Scrip)
CSV Pr	Cities Service Co. (Pfd.)
CSV B	Cities Service Co. (Pf. B)
CSV BB	Cities Service Co. (Pf. BB)
CSV	Cities Service Co. (Com.)
CSV R WI	Cities Service Co. (Rights) "WI"

CSW 6 Pr	Cities Service Pw. & Light Co. ($6 Pfd.)
CSW 7 Pr	Cities Service Pw. & Light Co. ($7 Pfd.)
CY	City Machine & Tool Co. (The)
CRR	City Radio Stores, Inc. (Com.)
CSL	City Savings Bank Co., Ltd., Budapest (Amer. Shs.)
CKL A	Clark Lighter Co., Inc. (Conv. "A")
CKY	Clark (The D. L.) Company
CLC	Cleveland Cliffs Iron Co.
CLC Pr	Cleveland-Cliffs Iron Co. (New $5 Pfd.)
CLF V	Cliffs Corp. (The) (VTC Com.)
CVX	Cleveland Electric Illuminating Co. (Com.)
CVT	Cleveland Tractor Co. (The) (Com.)
CFL	Clinchfield Coal Corp. (Com.)
CFL Pr	Clinchfield Coal Corp. (Pfd.)
CHX A	Clorax Chemical Co. (Class "A" Stock)
CLB	Club Aluminum Utensil Co. (Com.)
COA	Coats (J. & P.) Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
CKP	Cockshutt Plow Co., Ltd. (Com.)
CMX	Cohn-Hall-Marx Co. (Com.)
CRG	Cohn & Rosenberger, Inc. (Com.)
CMS	Colombia Syndicate
CXY	Colorado Power Co. (The) (Com.)
CXY Pr	Colorado Power Co. (The) (Pfd.)
COH	Coleman Lamp & Stove Co. (Com.)
CPL	Colgate-Palmolive-Peet Co. (Com.)
CPL Pr	Colgate-Palmolive-Peet Co. (6% Pfd.)
COO	Colon Oil Corporation (Com.)
CPF	Colt's Patent Fire Arms Mfg. Co.
CPS	Columbia Pictures Corp. (Com.)
CUS	Columbia Steel Corp. (Com.)
CAU CV	Columbus Auto Parts Co. (Conv. Pref.)
CUW	Columbus Elec. & Pw. Co. (Com.)
CRC	Columbus Rwy. Pw. & Lt. Co. (Com.)
CPT	Commerz-und Privat Bank (Amer. Dep. Rec.)
CWE	Commonwealth Edison Co.
CMP Pr	Commonwealth Power Corp. (Pfd.)
CXW O	Commonwealth & Southern Corp. (Option Wts.)
CWO B	Commonwealth Utilities Corp. (Com. "B")

CWO B COD	Commonwealth Util. Corp. (Ctfs. of Dep. for "B" Com.)
CI	Community Pw. & Lt. Co. (Com.)
CTU P	Community Telephone Co. (Cum. Part. Stock)
CTW	Community Water Service Co. (Com.)
CDO	Compania Hispano-Americana Electricidad "Chade" (Amer. Shares for "E" Shares)
CTC	Comstock Tunnel & Drainage Co.
CON	Coniagas Mines, Ltd.
CEV	Connecticut Electric Service Co. (Com.)
CEV Pr	Connecticut Electric Service Co. (Conv. Pfd.)
CIY Pr	Connecticut Power Co. (6% Pfd.)
CIY	Connecticut Power Co. (Com.)
CAF	Consolidated Aircraft Corp. (Com.)
CAO V	Consolidated Automatic Merchandising Corp. (VTC Com.)
CAO Pr	Consolidated Automatic Merchandising Corp. ($3.50 Pfd.)
CGR WS	Consolidated Cigar Corp. (Warrants)
CCP	Consolidated Copper Mines Corp.
CZ	Cons. Cortez Silver Mines Co. of Nev.
CSY	Consolidated Dairy Prod. Co., Inc. (Com.)
CGB	Cons. Gas Elec. Lt. & Pw. Co. of Balto. (Com.)
CGB Pr A	Cons. Gas Elec. Lt. & Pw. Co. of Balto. (5% Pfd., Series "A")
CGB V	Cons. Gas Elec. Lt. & Pw. Co. of Balto. (VTC Com.)
CGB Pr A V	Cons. Gas Elec. Lt. & Pw. Co. of Balto. (VTC 5% Pfd. "A")
CGT A	Consolidated Gas Utilities Co. ("A" Stock)
CDG	Cons. Gold Fields of So. Africa, Ltd. (Amer. Dep. Rec. Ord.) (Bearer)
CIC	Consolidated Ice Co. of Pittsburgh (Com.)
CIC Pr	Consolidated Ice Co. of Pittsburgh (6% Pfd.)
CDV	Cons. Instrument Co. of Amer., Inc. (Com.)
CEU	Consolidated Laundries Corp. (Com.)
CDJ	Consolidated Lead & Zinc Co. (Com.)

CMF	Consolidated Main Reef Mines & Estates, Ltd.
CLT	Consolidated Mining & Smelting Co. of Canada, Ltd.
CNV	Consolidated Nevada-Utah Corp.
CNL	Consolidated Retail Stores, Inc. (Com.)
CNL Pr WW	Consolidated Retail Stores, Inc. (8% Pfd., with Wts.)
CNL Pr XW	Consolidated Retail Stores, Inc. (8% Pfd., without Wts.)
CNL WS	Consolidated Retail Stores, Inc. (Warrants)
COY	Consolidated Royalty Oil Co.
CSC	Consolidated Steel Corp. (Com.)
CSC Pr	Consolidated Steel Corp. (Pfd.)
CTH V	Cons. Theatres, Ltd. (VTC Com.)
CTR	Consolidated Traction Co. of N. J.
CCM	Consolidation Coal Co. (Com.)
CCM Pr	Consolidation Coal Co. (7% Pfd.)
CNS	Consumers Co. (Com.)
CDH	Continental-Diamond Fibre Co.
CTG P Pr	Continental Gas & Elec. Corp. (7% Prior Pref.)
CT V	Continental Oil Co., Maine (VTC)
CLX	Continental Securities Corp. (Com.)
CIR	Continental Steel Corp. (Com.)
CIR V	Continental Steel Corp. (VTC for Com.)
CIR Pr	Continental Steel Corp. (7% Pfd.)
CPY	Coon (W. B.) Company(Com.)
CPY Pr WW	Coon (W. B.) Company (7% Pfd., with Wts.)
CBE	Cooper-Bessemer Corp. (The) (Com.)
CBE Pr WW	Cooper-Bessemer Corp. (The) ($3 Pfd. "A" with Wts.)
CPR A XW	Copeland Products, Inc. ("A" without Wts.)
CPX	Copper Range Co.
CD	Cord Corporation
COS	Corno Mills Co. (The)
CRU Pr A	Corroon & Reynolds Corp. ($6 Div. Conv. "A" Pfd.
CRU	Corroon & Reynolds Corp. (Com.)
CTF	Coty Societe Anonyme (Amer. Dep. Rec. Bearer Shs.)

COX	Cosden Oil Company (Com.)
COX Pr	Cosden Oil Company (Pfd.)
COU	Courtaulds, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
COU Pr	Courtaulds, Ltd. (Amer. Dep. Rec. 5% Pref.) (Reg.)
CRA	Cramp (Wm.) & Sons Ship & Engine Bldg. Corp.
CM	Crane Co. (Com.)
CM Pr	Crane Co. (Pfd.)
CWH V	Cream of Wheat Corp. (VTC)
CPG	Creamery Package Mfg. Co. (Com.)
CRP	Creole Petroleum Corp.
CSS	Cresson Cons. Gold Mng. & Mlg. Co.
CRO	Crocker-Wheeler Elec. Mfg. Co. (Com.)
CDK Pr WW	Crosse & Blackwell, Inc. ($3.50 Pref., with Wts.)
COL	Crowell Publishing Co. (Com.) (Vt.)
COM	Crowley, Milner & Co. (Com.)
CNP	Crown Central Petroleum Corp. (Com.)
CCK Pr	Crown Cork & Seal Co., Inc. ($2.70 Pfd.)
COR	Crystal Oil Refining Corp. (Com.)
COR Pr	Crystal Oil Refining Corp. (6% Pfd.)
CYS	Crystal Tissue Co. (The) (Com.)
CTO V	Cuban Tobacco Co., Inc. (VTC Com.)
CTO V Pr	Cuban Tobacco Co., Inc. (VTC Pfd.)
CUM	Cumberland Pipe Line Co., Inc.
CUN	Cuneo Press, Inc. (The) (Com.)
CUN Pr WW	Cuneo Press, Inc. (The) (6½% Pfd., with Wts.)
CUL	Curtis Lighting, Inc. (Com.)
CUG	Curtis Manufacturing Co.
CAX	Curtiss Aeroplane Export Corp. (Com.)
CUP V	Curtiss Airports Corp (VTC)
CAC	Curtiss Assets Corp. (Ctfs. Bene. Interest)
CUY	Curtiss Flying Service, Inc. (Com.)
CRB Pr	Curtiss-Reid Aircraft Co., Ltd. (Pfd., with Wts.)
CWZ WS	Curtiss-Wright Corp. (Warrants)
CSI	Cusi Mexicana Mining Co.

D

DDL A	Dairy Dale Co. (Class "A")
DDL B	Dairy Dale Co. (Class "B")
DRV	Daniel Reeves, Inc. (Com.)
DYP	Darby Petroleum Corp.
DVA	Davega, Inc.
DVY	Davenport Hosiery Mills, Inc. (Com.)
DPR A	David Pender Grocery Co. (Class "A" Conv.)
DPR B	David Pender Grocery Co. (Class "B")
DV	Davis Coal & Coke Co. (The)
DSU CT	Davis Drug Stores Corp. (Allot. Ctfs.)
DSU	Davis Drug Stores Corp. (Com.)
DSU Pr	Davis Drug Stores Corp. (Conv. Pref.)
DIU A	Davis Industries, Inc. (Class "A" Stock)
DEY	Dayton Airplane Engine Co. (Com.)
DEC	Decca Record Co., Inc. (Amer. Shs.)
DKM	Decker (Alfred) & Cohn, Inc. (Com.)
DER	Deere & Company (Com.)
DFO	DeForest Radio Co. (Com.)
DHV O	DeHavilland Aircraft Co., Ltd. (Amer. Dep. Rec. Ord. Reg. Carrying Full Divids.)
DHV N	DeHavilland Aircraft Co., Ltd. (Amer. Dep. Rec. Ord. Reg. Carrying Divs. from 2/1/29)
DLW	Delaware Railroad Co. (The)
DNL	Dennis Bros., Ltd., (Amer. Dep. Rec. Ord. Reg.)
DY	Denver Tramway Corp. (Com.)
DY Pr	Denver Tramway Corp. (7% Pfd.)
DNV	Denver Union Stock Yards Co. (Com.)
DYO	Derby Oil & Refining Corp. (Com.)
DYO Pr	Derby Oil & Refining Corp. (Pfd.)
DAC	Detroit Aircraft Corp.
DRT	Detroit & Cleveland Navigation Co.
DRR	Detroit Creamery Co.
DTV	Detroit-Michigan Stove Co.
DMO	Detroit Motorbus Co.
DSP	Detroit Steel Products Co.
DEU	Deutsche Bank (Berlin) (Amer. Dep. Rec.)
DRS B	Devoe & Raynolds Co., Inc. ("B" Com.)
DEV	Devonian Oil Co.

DEX	Dexter Co. (The) (Com.)
DC	Dictaphone Corp. (Com.)
DC Pr	Dictaphone Corp. (Pfd.)
DPO	Dictograph Products Co., Inc.
DHT A WW	Dinkler Hotels Co., Inc. ("A" with Wts.)
DCO	Direction der Disconts Gesellschaft (Amer. Dep. Rec.)
DIL	Distillers Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
DGU	Dixie Gas & Utilities Co. (Com.)
DIX	Dixon (Joseph) Crucible Co.
DDM Pr	Dodge Manufacturing Corp. (8% Pfd.)
DDC	Doehler Die-Casting Co. (Com.)
DLS	Dolores Esperanza Corp.
DBR	Dominion Bridge Co., Ltd.
DBR R WI	Dominion Bridge Co., Ltd. (Rights) "WI"
DGS	Dominion Glass Co., Ltd. (Com.)
DTX	Dominion Textile Co., Ltd. (Com.)
DTX Pr	Dominion Textile Co., Ltd. (7% Pfd.)
DHN A	Donahue's, Inc. ("A" Part Pref.)
DNT 6 Pr	Donner Steel Co., Inc. ($6 Conv. Pfd.)
DNT	Donner Steel Co., Inc. (New Stock)
DMC	Dort Motor Car Co. (Com.)
DOU	Douglas Aircraft Co., Inc.
DUG Pr	Douglas (W. L.) Shoe Co. (7% Pfd.)
DOW	Dow Chemical Co. (Com.)
DOW Pr	Dow Chemical Co. (Pfd.)
DOW R WI	Dow Chemical Co. (The) (Rights) "WI"
DA	Draper Corp.
DSR	Dresdner Bank (Berlin) (Amer. Shs.)
DMY A	Dresser (S. R.) Mfg. Co. ("A" Part. Conv.)
DRH	Driver-Harris Co. (Com.)
DRH N WI	Driver-Harris Co. (New Com.) "WI"
DCR	Dubilier Condenser Corp. (Com.)
DUF	Duff-Norton Mfg. Co. (The) (Com.)
DUK	Duke Power Company (Com.)
DZ	Dundee Arizona Copper Co.
DLP R	Dunlop Rubber Co., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.)
DQO	Duquesne Oil Corp
DTM	Durant Motors of Canada, Ltd.
DM	Durant Motors, Inc. (Dela.)

DXZ P Pr WW	Durham Duplex Razor Co. ($4 Prior Pref. with Wts.)
DVL	Duval Texas Sulphur Co.
DVL N WI	Duval Texas Sulphur Co. (New) "WI"
DUZ A	Duz Co., Inc. (Class "A")
DUZ A V	Duz Co., Inc. (VTC repre. "A")

E

EAG WW	Eagle (C. K.) & Co., Inc. (7% Pfd. with Wts.)
ELK	Eagle Lock Co.
EGP	Eagle Picher Lead Co. (The) (Com.)
EAR	Earl Radio Corporation
EBM	East Butte Copper Mining Co.
EFU	Eastern Gas & Fuel Association (Com.)
EFU 6 Pr	Eastern Gas & Fuel Association (Pfd. 6% Series)
EFU P Pr	Eastern Gas & Fuel Association (Prior Pfd.)
EMC	Eastern Manufacturing Co.
EST B	Eastern States Power Co. ("B" Com.)
ESL	Eastern Steamship Lines, Inc. (Com.)
ES	Eastern Steel Co. (The) (Com.)
ES 1 Pr	Eastern Steel Co. (The) 1st Pfd.)
ES 2 Pr	Eastern Steel Co. (The) (2nd Pfd.)
EUV A	Eastern Utilities Investing Corp. ("A" Com.)
ECY	Economy Grocery Stores Corp.
ELR	El Dorado Oil Works (Com.)
EY	Eddy Paper Corp. (Com.)
EOS	Edison Brothers Stores, Inc. (Com.)
ELU	Edison Electric Illum. Co. of Boston
EGE	Edison General Italian Elec. Co. (Amer. Dep. Rec.)
EDP Pr WW	Educational Pictures, Inc. (8% Pfd. with Wts.)
EGY	Egyptian Portland Cement Co. (Com.)
EIS	Eisler Electric Corp. (Com.)
ELD	Elder Manufacturing Co. (Com.)
EBS	Electric Bond & Share Co. (Com.)
EBS Pr	Electric Bond & Share Co. ($6 Pfd.)
EHU	Electric Household Utilities Corp.
ELV	Electric Investors, Inc. (Com.)

ELV Pr	Electric Investors, Inc. ($6 Pfd.)
EL 2 Pr A	Electric Power & Light Corp. ("A" 2nd Pfd.)
EL O	Electric Power & Light Corp. (Option Wts.)
EPW	Electric Power Associates, Inc. (Com.)
EPW A	Electric Power Associates, Inc. (Full Paid Class A)
ERS	Electric Railway Securities Co.
ESO	Electric Shareholdings Corp. (Com.)
ESO Pr WW	Electric Shareholdings Corp. ($6 Conv. Pfd. Opt. Div. Series, with Wts.)
ETV Pr	Electric Shovel Coal Corp. ($4 Part. Pfd.)
ENW	Elgin National Watch Co.
ELM Pr	Elmer Richards Co. (Conv. Pfd.)
ELO A Pr	El Paso Electric Co. (Dela.) ("A" 7% Pfd.)
ELY	Ely & Walker Dry Goods Co. (Com.)
EMF 7 Pr	Empire Gas & Fuel Co. (Dela.) (7% Pfd.)
EMF 8 Pr	Empire Gas & Fuel Co. (Dela.) (8% Pfd.)
EMW	Empire Power Corp. (Part. Stock)
EPS	Empire Public Service Corp. ("A" Com.)
EMS	Empire Steel Corp. (Com.)
EMR	Employers Reinsurance Corp.
EDR	Emsco Derrick & Equipment Co.
EI	Engineer Gold Mines, Ltd., Inc.
EPU WS	Engineers Public Service Co., Inc. (Warrants)
ESX	Essex Foundry (Com.)
EKU	Eureka Pipe Line Co. (The)
EVW	Evans Wallower Lead Co. (Com.)
EVW Pr	Evans Wallower Lead Co. (7% Pfd.)
EWA	Ewa Plantation Co.
EXL	Ex-cello Aircraft & Tool Corp. (Com.)

F

FAB	Fabrics Finishing Corp. (Com.)
FMS	Fageol Motors Co. (Cal.) (Com.)
FMS Pr	Fageol Motors Co. (Cal.) (7% Pfd.)
FAV	Fairchild Aviation Corp. (Com.)
FIY	Fairey Aviation Co., Ltd. (Amer. Shs.)
FMY	Fairmont Creamery Co. (The) (Com.)
FAJ	Fajardo Sugar Co. of Porto Rico (The)
FAL	Falcon Lead Mining Co.

FRV	Fall River Elec. Light Co.
FLR	Fall River Gas Works Co.
FDO	Fandango Corp. (Com.)
FFY	Fanny Farmer Candy Shops, Inc. (Com.)
FNL	Fansteel Products Co., Inc.
FAR	Farr Alpaca Co.
FMU A	Fedders Manufacturing Co., Inc. (Class "A")
FKT	Federal Knitting Mills Co. (Com.)
FEG	Federal Mogul Corporation
FRW	Federal Screw Works
FBP 1 Pr XW	Federated Business Publications, Inc. (1st Pfd., without Wts.)
FED	Federated Metals Corp.
FEL A	Feltman & Curme Shoe Stores Co. (The) (Class "A" Com.)
FOE A	Ferro Enameling Co. (The) ("A" Part.)
FIT DB R	Fiat (Deb. Bond Rights)
FIT	Fiat (Amer. Dep. Rec.)
FIM	Film Inspection Machine Co., Inc.
FNI	Financial Investing Co. of N. Y., Ltd.
FIP	Fire Association of Philadelphia
FFU	Fireman's Fund Insurance Co.
FIR	Firestone Tire & Rubber Co. (Com.)
FNS	First National Copper Co.
FGE V	Fitchburg Gas & Elec. Light Co. (Stock Tr. Ctfs.)
FTZ	Fitz Simons & Connell Dredge & Dock Co.
FES	Florence Stove Co.
FPW 7 Pr	Florida Power & Light Co. ($7 Pfd.)
FOK	Fokker Aircraft Corp. of America (Com.)
FOL	Foltis-Fisher, Inc. (Com.)
FDM	Food Machinery Corp. (Com.)
FOT	Foote Bros. Gear & Machine Co. (Com.)
FBT	Foote-Burt Co. (The) (Com.)
FRD	Ford Motor Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
FMC A	Ford Motor Co. of Canada, Ltd. (New Class "A" Non-Vt.)
FMC B	Ford Motor Co. of Canada, Ltd. (New Vt. "B")
FOF	Ford Motor Co. of France (Amer. Dep. Rec. Bearer Shs.)

FDY	Foremost Dairy Products, Inc. (Com.)
FDY Pr	Foremost Dairy Products, Inc. (Conv. Pfd.)
FRB	Foremost Fabrics Corp. (Com.)
FOR A	Forham Co. (Class "A")
FIL	Formica Insulation Co.
FWP Pr	Fort Worth Power & Light Co. (7% Pfd.)
FOS	Foster & Kleiser Co. (Com.)
FOS Pr	Foster & Kleiser Co. (7% Pfd.)
FOU Pr	Foundation Co. (Pfd.)
FOZ A	Foundation Co. (Foreign) Class "A")
FTH WW	Fourth National Investors Corp. (Com. with Wts.)
FXT A	Fox Theatres Corp. (Class "A" Com.)
FKN	Franklin (H. H.) Mfg. Co. (Com.)
FKN Pr	Franklin (H. H.) Mfg. Co. (7% Pfd.)
FRY	Franklin Railway Supply Co., Inc.
FRS	Fraser Companies, Ltd. (Com.)
FER	Freed-Eisemann Radio Corp.
FHL	French Line (Amer. Shares)
FLU A	Fuller Brush Co. (The) (Class "A")
FLU AA	Fuller Brush Co. (The) (Class "AA")
FWY	Furness, Withy & Co., Ltd. (Amer. Dep. Rec. Ord. Reg.)

G

GAL COD	Galena Signal Oil Co. (COD for Com.)
GAL O Pr COD	Galena Signal Oil Co. (COD for Old Pfd.)
GAL N Pr COD	Galena Signal Oil Co. (COD for New Pfd.)
GAL	Galena Signal Oil Co. (Com.)
GAL O Pr	Galena Signal Oil Co. (Old Pfd.)
GAL N Pr	Galena Signal Oil Co. (New Pfd.)
GLU	Galesburg Coulter-Disc Co.
GHU	Galveston-Houston Electric Co. (Com.)
GHU Pr	Galveston-Houston Electric Co. (6% Pfd.)
GNV	Gardner-Denver Co. (Com.)
GNV Pr	Gardner-Denver Co. (7% Pfd.)
GAR	Garland Steamship Corp. (Com.)
GLK	Garlock Packing Co. (The) (Com.)
GFG B	Gears & Forgings, Inc. ("B" Stock)
GMR A	Gemmer Manufacturing Co. ("A")
GMR B	Gemmer Manufacturing Co. ("B")

GNY	General Alloys Co. (Com.)
GIV Pr WW	General American Investors Co., Inc. (6% Pfd., with Warrants)
GIV	General American Investors Co., Inc. (Com.)
GGS N A WI	General Gas & Electric Corp. (New Com. "A") "WI"
GGS N B WI	General Gas & Electric Corp. (New Com. "B") "WI"
GKN	General Baking Corp. (Com.)
GKN Pr	General Baking Corp. (Pfd.)
GGN WS	General Cable Corp. (Warrants)
AEG	General Electric Co. (Germany) (Amer. Dep. Reg. Com.)
AEG WS	General Electric Co. (Germany) (Stock Pur. Wts.)
GLE R	General Electric Co., Ltd., (Amer. Dep. Rec. Ord.) (Reg.)
GEP	General Empire Corp.
GLP	General Fireproofing Co. (Com.)
GID V	General Industrial Alcohol Corp. (VTC Com.)
GLL	General Laundry Mach. Corp. (Com.)
GNS	General Necessities Corp. (Com.)
GP Pr	General Petroleum Corp. (Pfd.)
GPI	General Printing Ink Corp. (Com.)
GPV 6 Pr	General Public Service Corp. ($6 Pfd.)
GRY	General Realty & Util. Corp. (Com.)
GRY Pr WW	General Realty & Util. Corp. (Pfd. $6 Series, with Wts.)
GIK	General Silk Corp. (Com.)
GIK A	General Silk Corp. (Class "A")
GIK P Pr	General Silk Corp. (6% Part. Pfd.)
GIK 1 Pr	General Silk Corp. (7% 1st Pfd.)
GTH V	General Theatres Equipment, Inc. (VTC Com.)
GTR	General Tire & Rubber Co. (Com.)
GWW A	General Water Works & Elec. Corp. ("A" Com.)
GEM	Geometric Stamping Co. (Com.)
GOW Pr	Georgia Power Co. (New Cons. Corp. ($6 Pfd.)
GWY	Georgia Railroad & Banking Co.

GRW	Georgia Railway & Power Co. (Com.)
GRW 1 Pr	Georgia Railway & Power Co. (8% 1st Pfd.)
GRW 2 Pr	Georgia Railroad & Power Co. (4% 2nd Pfd.)
GKW	Gerlach-Barklow Co. (The) (Com.)
GKW Pr	Gerlach-Barklow Co. (The) (Conv. Pref.)
GED	Gerrard (The S. A.) Co. (Com.)
GIT	Giant Portland Cement Co. (Com.)
GIT Pr	Giant Portland Cement Co. (7% Pfd.)
GRT	Gibson Art Co. (Com.)
GBT	Gilbert (The A. C.) Co. (Com.)
GBT Pr WW	Gilbert (The A. C.) Co. (Pref., with Wts.)
GST	Gilchrist Co (Com.)
GLY	Gillican Chipley Co.
GLD	Gladding, McBean & Co.
GLH	Gleaner Combine Harvester Corp.
GLH N WI	Gleaner Combine Harvester Corp. (New) "WI"
GA	Glen Alden Coal Co.
GAS A	Globe Automatic Sprinkler Co. of U. S. "A"
GUW	Globe Underwriters Exchange, Inc.
GWC	Globe-Wernicke Co. (The) (Com.)
GWC Pr	Globe-Wernicke Co. (The) (6% Pfd.)
GOX B	Godchaux Sugars, Inc. (Class "B")
GOX Pr WW	Godchaux Sugars, Inc. ($7 Pfd., with Wts.)
GHI	Goldberg (S. M.) Stores, Inc. (Com.)
GHI Pr WW	Goldberg (S. M.) Stores, Inc. ($7 Pfd. with Wts.)
GCM	Gold Coin Mining Co.
GOY	Gold Seal Electrical Co., Inc. (Com.)
GBI	Goldblatt Bros., Inc. (Com.)
GMS	Golden Center Mines, Inc.
GMK	Golden State Milk Products Co.
GV	Goldfield Cons. Mines Co.
GSC	Goldman Sachs Trading Corp.
GOH A	Gorham, Inc. (Com. "A")
GOH Pr WW	Gorham, Inc. ($3 Pfd., with Wts)
GMO V	Gorham Manufacturing Co. (VTC Com.)
GOT	Gotfredson Corp., Ltd.
GKZ	Gotham Knitbac Machine Corp.
GAM	Gramophone Co., Ltd. (Amer. Dep. Rec. Ord.) (Reg.)

GAM SR	Gramophone Co., Ltd. (Full Pd. Sub. Rec.) ..
GRV	Grand Rapids Varnish Corp. .....
GMU	Graymur Corp. .....
GAP 1 Pr	Great Atlantic & Pacific Tea Co. of Amer. (Md.) (7% 1st Pfd.) .....
GAP N V	Great Atlantic & Pacific Tea Co. of Amer. (Com. Non-Vt.) .....
GDD	Great Lakes Dredge & Dock Co. .....
GLS P PD	Great Lakes Steel Corp. (Ctfs. of Sub.) ($20 Paid) .....
GLS COD	Great Lakes Steel Corp. (Ctfs. of Dep. for Ctfs. of Sub.) .....
GKT	Great Lakes Transit Corp. (Com.) .....
GWP 7 Pr	Great Western Pw. Co. of Cal. (7% Pfd.)...
GWP 6 Pr	Great Western Pw. Co. of Cal. (6% Pfd., "A") .....
GTD	Greenfield Tap & Die Corp. (Com.) .....
GTD Pr	Greenfield Tap & Die Corp. (8% Pfd.) .....
GRF A	Greif Bros. Cooperage Corp. ("A" Com.) ...
GEF	Greif (L.) & Bro., Inc. (Com.) .....
GEF Pr	Greif (L.) & Bro., Inc. (7% Pfd.) .....
GDW A	Griffith (D. W.) Inc. (Class "A") ... .
GPR V	Grocery Store Products, Inc. (VTC Com.) ..
GHP	Ground Gripper Shoe Co., Inc. (Com.) .....
GHP Pr	Ground Gripper Shoe Co., Inc. ($3 Pfd.) ...
GWT	Gruen Watch Co. (The) (Com.) .....
GFU	Guardian Fire Assurance Corp. of N. Y. ...
GUD	Guardian Investors Corp. (Com.) .....
GOP	Gulf Oil Corp. of Pa. .....
GUY	Guy Motors, Ltd. (Amer. Dep. Rec. Ord. Reg.) .....

H

HE	Habirshaw Cable & Wire Corp. (Com.) .....
HAK	Hale & Kilbourn Corp. (Com.) .....
HAK Pr	Hale & Kilbourn Corp. (Pfd.) .....
HAL	Hale Bros. Stores, Inc. .....
HLP	Hall (C. M.) Lamp Co. .....
HLT	Hall (W. F.) Printing Co. .....
HBL CT	Hambleton Corp. (The) (Allot. Ctfs.) .....

HAM	Hamburg-American Line (Amer. Dep. Rec. Com. Bearer)
HAB	Hamilton Brown Shoe Co.
HMW	Hamilton Watch Co. (Com.)
HPK	Hammermill Paper Co. (Com.)
HDY P Pr	Handley Page, Ltd. (Amer. Dep. Rec. Part. Pref.)
HKM	Hanes (P. H.) Knitting Co. (Com.)
HKM Pr	Hanes (P. H.) Knitting Co. (Pfd.)
HKM B	Hanes (P. H.) Knitting Co. (Com. "B")
HC	Happiness Candy Stores, Inc. (Com.)
HPR BR	Harpen Mining Corp. (Bond Rights)
HRY	Harris-Seybold-Potter Co. (Com.)
HRY Pr WW	Harris-Seybold-Potter Co. (7% Pfd., with Wts.)
HIO	Harrison's Orange Huts, Inc.
HRD	Harrods, Ltd. (Amer. Dep Rec. Ord. Reg.)
HCR CV Pr	Hart Carter Co. (Conv. Pref.)
HRR	Hart-Parr Co. (Com.)
HRR A	Hart-Parr Co. (Part. Class "A" Pfd.)
HRM	Hart, Schaffner & Marx (Com.)
HCG	Hartford City Gas Light Co. (Com.)
HEL	Hartford Electric Light Co.
HEL V	Hartford Electric Light Co. (VTC)
HTI P Pr	Hartford Times, Inc. (The) (Part. Pref.)
HTO	Hartman Tobacco Co., Inc. (Com.)
HLU 1 Pr	Havana Electric & Utilities Co. (Me.) (6% 1st Pfd.)
HLU Pr	Havana Electric & Utilities Co. (Me.) (Cum. Pref.)
HAV	Haverhill Gas Light Co.
HCL	Hawaiian Commercial & Sugar Co., Ltd.
HAW	Hawaiian Sugar Co.
HWF	Hayes Wheels & Forgings, Ltd. (Com.)
HAY	Haygart Corporation
HZT	Hazel Atlas Glass Co.
HZ	Hazeltine Corporation
HL	Hecla Mining Co.
HGM	Hedley Gold Mining Co., Ltd.
HER	Helena Rubinstein, Inc. (Com.)
HTY A	Henry Holt & Co., Inc. (Part "A")
HKE Pr	Henry Klein & Co., Inc. (Part. Pfd.)

HNS	Herman Nelson Corp.
HDN	Heyden Chemical Corp. (Com.)
HWK	Heywood Wakefield Co. (Com.)
HWK 1 Pr	Heywood Wakefield Co. (7% 1st Pfd.)
HWK 2 Pr	Heywood Wakefield Co. (7% 2nd Pfd.)
HIB	Hibbard, Spencer, Bartlett & Co.
HIR	Hiram Walker-Gooderham & Worts, Ltd. (Com.)
HRS A	Hires (Charles E.) Co. ("A" Com.)
HTU	Hobart Manufacturing Co. (Com.)
HOL	Hollinger Cons. Gold Mines, Ltd.
HOY	Holly Oil Company
HLY	Holly Sugar Corp. (Com.)
HLY Pr	Holly Sugar Corp. (Pfd.)
HKL	Homaokla Oil Co. (Com.)
HFM	Home Fire & Marine Insurance Co.
HLS	Honolulu Consolidated Oil Co.
HOD	Hood Rubber Co. (Com.)
HKR	Hooker Electrochemical Co.
HOV	Hoover Steel Ball Co.
HOV R	Hoover Steel Ball Co. (Rights)
HRL	Hormel (Geo. A.) & Company (Com.)
HOR	Horn & Hardart Co. (Com.)
HOR Pr	Horn & Hardart Co. (7% Pfd. carrying Rts.)
HNR	Horn (A. C.) Company (Com.)
HNR Pr	Horn (A. C.) Company (1st Pfd.)
HKS	Hoskins Manufacturing Co. (The)
HH A	Houdaille-Hershey Corp. ("A" Conv. Pref.)
HOS	Houston Gulf Gas Co. (Com.)
HOS Pr WW	Houston Gulf Gas Co. (7% Pfd.) (Series "A") with Wts.
HO Pr	Houston Oil Co. of Texas (Pfd.)
HNY	Hudson Bay Mining & Smelting Co., Ltd.
HSS	Hugo Stinnes Corp.
HB	Humble Oil & Refining Co.
HLC	Hussmann-Ligonier Co. (Com.)
HS	Huttig Sash & Door Co., Inc. (Com.)
HYD	Huyler's of Delaware, Inc. (Com.)
HYD Pr	Huyler's of Delaware, Inc. (7% Pfd.)
HBK	Hydraulic Brake Co.
HYP	Hydraulic-Press Brick Co. (Com.)
HYP Pr	Hydraulic-Press Brick Co. (6% Pfd.)

HES	Hydro Electric Securities Corp. (Com.) ...
HFO	Hygrade Food Products Corp. (Com.) .....

I

IDE	Ide (Geo. P.) & Co. (Com.) .....
IDE Pr	Ide (Geo. P.) & Co. (Pfd.) .....
IDL	Ideal Cement Co. (Com.) .....
IC	Illinois Brick Co. .....
IPG A	Illinois Pacific Glass Corp. ("A" Com.) ....
IPG B	Illinois Pacific Glass Corp. ("B") .....
ILP	Illinois Pipe Line Co. (The) .....
IMP SR	Imperial Chemical Ind., Ltd. (Full Paid Sub. Rec.) .....
IMP	Imperial Chemical Industries, Ltd. (Amer. Dep. Rec. Ord.) (Reg.) .....
IMO C	Imperial Oil, Ltd. (Coupon) .....
IMO R	Imperial Oil, Ltd. (Registered) .....
ITC	Imperial Tob. Co. of Canada, Ltd. (Ord.)...
ITC Pr	Imperial Tob. Co. of Canada, Ltd. (Pref.) ..
IMT	Imperial Tobacco Co. of Great Britain and Ireland (Amer. Dep. Rec. for Ord.) .....
ID	Independent Pneumatic Tool Co. .....
INT	India Tire & Rubber Co. (Com.) .....
ITY	Indian Territory Illuminating Oil Co. .....
IDP	Indiana Pipe Line Co. .....
IND	Indiana Service Corp. (Com.) .....
IND Pr	Indiana Service Corp. (7% Pfd.) .....
IFN V	Industrial Finance Corp. (VTC Com.) .....
IFN Pr	Industrial Finance Corp. (7% Pfd.) .....
ILU	Insull Utilities Investment, Inc. (Com.) ....
ILU P Pr XW	Insull Utilities Investment, Inc. $5.50 Prior Pfd. without Wts.) .....
ILU II Pr WW	Insull Utilities Investments, Inc. ($6 Pfd., 2nd Series, with Warrants) .....
ISU	Insurance Co. of North America .....
IRX	Insurance Securities Co., Inc. .....
INU A	Insuranshares Corp. of Dela. ("A" Com.) ..
ICT	Intercoast Trading Co. (A New Co.) (Com.)
IPL	Intercontinent Petroleum Corp. .....
INC	International Cigar Machinery Corp. (Com.)

ICI	International Concrete Industries Corp. (Founders Shs.)
INH	International Holding & Investment Co., Ltd.
IPF	International Perfume Co., Inc. (Com.)
IY	International Petroleum Co., Ltd. (New Com.) (Coupon)
IMW	International Power Co., Ltd. (Com)
IPU	International Products Corp. (Com.)
IPU Pr	International Products Corp. (6% Pfd.)
IPT	International Projector Corp. (Com.)
ILW V	International Rwy. Co. (Com. VTC)
IST B	International Safety Razor Corp. ("B")
ISS Pr	International Shoe Co. (6% Pfd.)
ITX	International Sleeping Car & European Express Trains Co. (Wagon-Lits) (Amer. Dep. Rec. Ord.) (Bearer)
ISP	International Superpower Corp.
ITE	International Tea Co.'s Stores, Ltd. (Amer. Dep. Rec. Ord. Reg.)
IOX	International Textbook Co.
IU A	International Utilities Corp. ("A")
IU B	International Utilities Corp. ("B")
IU Pr XW	International Utilities Corp. ($7 Pfd., without Wts.)
IU WS	International Utilities Corp. (Warrants)
IEU	Interstate Equities Corp. (Com.)
IEU CV Pr	Interstate Equities Corp. ($3 Conv. Pfd. "A")
IHM	Interstate Hosiery Mills, Inc.
IIS	Interstate Iron & Steel Co. (Com.)
IIS Pr	Interstate Iron & Steel Co. (7% Pfd.)
ING B R	Interstate Natural Gas. Co., Inc. (Bond Rights)
IHV	Irving Air Chute Co., Inc. (Com.)
IOP	Iron Cap Copper Co. (Com.)
IFR V	Iron Fireman Mfg. Co. (VTC Com.)
IRV	Isaac Silver & Bros. Co., Inc. (Com.)
IRV Pr	Isaac Silver & Bros., Inc. (7% Conv. Pfd.)
ISL	Isle Royale Copper Co. (N. J.)
ISO	Isotta Fraschini Co. (Amer. Dep. Rec.)
ISO WS	Isotta Fraschini (Stock Pur. Wts.)
ITS A	Italian Superpower Corp. (Com. "A")
ITS DB R	Italian Superpower Corp. (Debenture Rts.)

J

JKT	Jackson Motor Shaft Co.
JM	Jaeger Machine Co. (Com.)
JEC	Jefferson Electric Co.
JVD	Jerome Verde Development Co.
JY Pr	Jersey Central Pw. & Lt. Co. (Pfd., 7% Series)
JNO	Johansen Bros. Shoe Co. (Com.)
JWW	John Warren Watson Co. (Com.)
JMC	Johnson Motor Co. (Com.)
JOP	Johnson & Phillips, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
JST	Johnson-Stephens & Shinkle Shoe Co. (Com.)
JSU	Jonas & Naumburg Corp. (Com.)
JSU Pr	Jonas & Naumburg Corp. ($3 Conv. Pfd.)
JL	Jones & Laughlin Steel Corp. (Com.)
JKC	Julian & Kokenge Co. (Com.)
JS	Justice Gold & Silver Mining Co.

K

KLZ	Kalamazoo Stove Co.
KMZ	Kalamazoo Vegetable Parchment Co.
KPU V	Kansas City Public Service Co. (Mo.) (VTC Com.)
KPU V Pr A	Kansas City Public Service Co. (Mo.) (VTC Pfd. "A")
KZ Pr	Kansas Gas & Elec. Co. (Pfd.)
KST	Karstadt (Rudolph), Inc. (Amer. Shs.)
KKN Pr	Kaufmann Dept. Stores, Inc. (Pfd.)
KAW	Kawneer Company
KNE	Kaynee Company (The) (Com.)
KLY	Kelley Island Lime & Transport Co. (Com.)
KGC	Kellogg Co. (Dela.) (Com.)
KGC Pr	Kellogg Co. (Dela.) (Pfd.)
KSW	Kellogg Switchboard & Supply Co. (Com.)
KSW Pr	Kellogg Switchboard & Supply Co. (7% Pfd.)
KRD	Ken-Rad Tube & Lamp Corp. (Com. "A")
KRY	Kentucky Rock Asphalt Co. (Dela.) (Com.)
KER	Kermath Manufacturing Co. (Com.)

KRR	Kerr Lake Mines, Ltd.
KYA	Keystone Aircraft Corp. (Com.)
KYS	Keystone Mining Co.
KTW	Keystone Steel & Wire Co. (Com.)
KTW Pr	Keystone Steel & Wire Co. (7% Pfd.)
KNR COD	Kinnear Stores Company (Ctfs. of Dep.)
KLM	Kirby Lumber Co. (Com.)
KPC	Kirby Petroleum Co.
KLK	Kirkland Lake Gold Mining Co., Ltd.
KIR	Kirsch Company (Com.)
KIR Pr	Kirsch Company (Conv. Pref.)
KLI	Klein (D. Emil) Co., Inc. (Com.)
KRW	Kleinert (I. B.) Rubber Co. (Com.)
KNT	Knott Corporation (The) (Com.)
KXH A	Knox Hat Co., Inc. ("A" Com.)
KXH P Pr	Knox Hat Co., Inc. (7% Prior Pfd.)
KXH	Knox Hat Co., Inc. (New Non-Vt. Com.)
KOB	Kobackers Stores, Inc. (Com.)
KOL	Kolster-Brandes, Ltd. (Amer. Shs.)
KOP PR	Koppers Gas & Coke Co. (6% Pfd.)
KRT R WI	Kreuger & Toll Co. (Rights) "WI"
KRU	Kruskal & Kruskal, Inc. (Com.)

L

LNR	Lackawanna Railroad Co., N. J.
LSW	Lackawanna Securities Co.
LCL	Laclede Steel Co.
LQU O	L'Air Liquide (Amer. Dep. Rec. Series "O" Bearer Shs.)
LKE	Lake Erie Bolt and Nut Co.
LKK	Lake Shore Mines, Ltd.
LSC	Lake Superior Corp.
LAK	Lake Torpedo Boat Co. (Com.)
LAK 1 Pr	Lake Torpedo Boat Co. (1st Pfd.)
LKY	Lakey Foundry & Machine Co. (Com.)
LAS	Lamson & Sessions Co. (The) (Com.)
LOF	Land Company of Florida
LDY A XW	Landay Bros., Inc. ("A" without Wts.)
LSY	Landers, Frary & Clark
LMC	Landis Machine Co. (Com.)
LHC A ST	Landover Holding Corp. (Stamped "A")

LNY	Lane Bryant, Inc. (Com.)
LNY Pr WW	Lane Bryant, Inc. (7% Pfd., with Wts.)
LUB A	Langendorf United Bakeries, Inc. ("A" Stock)
LUB B	Langendorf United Bakeries, Inc. ("B" Stock)
LAN	Lanston Monotype Machine Co.
LSX	La Salle Extension University (Com.)
LSX Pr	La Salle Extension University (7% Pfd.)
LRT	Laurentide Co., Ltd.
LPC	Lawrence Portland Cement Co. (Com.)
LAZ COD	Lazuras (The F. & R.) Co. (COD Com.)
LAZ	Lazuras (The F. & R.) & Co. (Com.)
LAZ Pr	Lazuras (The F. & R.) & Co. (6½% Pfd.)
LEA	Leath and Co. (Com.)
LEA Pr	Leath and Co. ($3.50 Pfd.)
LEE	Lee Mercantile Co. (The H. D.)
LEF	Lefcourt Realty Corp. (Com.)
LEF Pr	Lefcourt Realty Corp. (Conv. Pref.)
LWC	Lehigh & Wilkes-Barre Coal Co. (Com.)
LWC Pr	Lehigh & Wilkes-Barre Coal Co. (Pfd.)
LCN	Lehigh Coal & Navigation Co.
LGN N WI	Lehigh Coal & Navigation Co. (New Com.) "WI"
LEM	Lehman Corp. (The)
LFM	Leonard Fitzpatrick, Mueller Stores Co. (Com.)
LFM COD	Leonard Fitzpatrick, Mueller Stores Co. (Ctfs. of Dep.)
LNV	Leonard Oil Development Co.
LTZ	Leonard Tietz, Inc. (Com.)
LTZ WS	Leonard Tietz, Inc. (Stock Pur. Wts.)
LER	Lerner Stores Corp. (Com.)
LEY	Ley (Fred T.) & Co., Inc.
LJ	Libby, McNeill & Libby (Com.)
LJ Pr	Libby, McNeill & Libby (Pfd.)
LDP	Liberty Dairy Products Corp. (Com.)
LBU	Library Bureau (Com.)
LBU Pr	Library Bureau (Pfd.)
LIL	Lily-Tulip Cup Corp. (Com.)
LIN	Lincoln Printing Co. (Com.)
LNO	Lion Oil Refining Co. (Com.)

LIT	Lit Bros.
LOB A	Loblaw Grocerterias Co., Ltd. ("A" Stock)
LOB B	Loblaw Grocerterias Co., Ltd. ("B" Stock)
LW DB R	Loew's, Inc. (Debenture Rights)
LW WS	Loew's, Inc. (Warrants)
LTS R	London Tin Syndicate, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
LSG	Lone Star Gas Corp.
LQB	Long Bell Lumber Corp. ("B" Com.)
LLT	Long Island Lighting Co. (Com.)
LLT Pr	Long Island Lighting Co. (7% Pfd.)
LD	Lord & Taylor (Com.)
LD 1 Pr	Lord & Taylor (1st Pfd.)
LD 2 Pr	Lord & Taylor (2nd Pfd.)
LSS	Lorrain Silver Syndicate, Ltd.
LLX	Louisiana Land & Exploration Co. (Com.)
LOP A	Louis Philippe, Inc. (Part. Conv. "A" Com.)
LOP B	Louis Philippe, Inc. ("B" Com.)
LOW	Lowell Electric Light Corp.
LUY	Lucky Tiger Combination Gold Mining Co.
LMU	Ludlow Manufacturing Associates
LUW	Ludwig Baumann & Co. (Com.)
LUW Pr	Ludwig Baumann & Co. (Conv. 7% Pfd.)
LKS	Lukens Steel Co.
LUK	Laukenheimer Co. (The) (Com.)
LYN	Lynn Gas & Electric Co.
LYN T	Lynn Gas & Electric Co. (Trust Ctfs.)
LYO A	Lyons (J.) & Co., Ltd. (Amer. Dep. Rec. "A" Ord. Reg.)

M

MMS	Mac Marr Stores, Inc. (Com.)
MML	Macmillan Petroleum Corp.
MD	Magdalena Syndicate (Com.)
MAG	Magnin (I.) & Co., Inc. (Com.)
MHO Pr	Mahon (The R. C.) Co. (Conv. Pfd.)
MCR	Maine Central R. R. Co. (Com.)
MCR Pr	Maine Central R. R. Co. (5% Pfd.)
MLA	Malacca Rubber Plantations, Ltd. (Amer. Dep. Rec. Ord. Reg.)
MGE	Mangel Stores Corp. (Com.)

MGE Pr WW	Mangel Stores Corp. (6½% Pfd. with Wts.)
MAO	Manhattan Oil Co. of Del. (Com.)
MNW A	Manning-Bowmann & Co. (Dela.) (Class "A")
MNW B	Manning-Bowman & Co. (Dela.) (Class "B")
MNY	Mansfeld Mining & Smelting Co. (Com.)
MNY WS	Mansfeld Mining & Smelting Co. (Stk. Pur. Wts.)
MPR	Mapes Consolidated Mfg. Co.
MIM	Marconi International Marine Communication Co., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.)
MWE R	Marconi's Wireless Tele. Co., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.)
MWE B	Marconi's Wireless Tele. Co., Ltd. (Amer. Dep. Rec. for Ord. (Bearer)
MWE PR R	Marconi's Wireless Tele. Co., Ltd. (Amer. Dep. Rec. for Pref.) (Reg.)
MWE PR B	Marconi's Wireless Tele. Co., Ltd. (Amer. Dep. Rec. for Pref.) (Bearer)
MRO	Margarine Union, Ltd. (Amer. Dep. Rec. for Ord.)
MOY	Margay Oil Corp.
MRM	Marine Midland Corp.
MNV	Marion Steam Shovel Co. (Com.)
MTP	Maritime Telegraph & Telephone Co., Ltd. (Com.)
MAX	Marland Oil Co. of Mexico
MLD	Maryland Casualty Co.
MVY	Mason Valley Mines Co.
MSU	Massachusetts Gas Co.'s (Com.)
MSU Pr	Massachusetts Gas Co.'s (4% Pfd.)
MSE	Massey-Harris Co., Ltd. (Com.)
MAM Pr	Matanzas-American Sugar Co. (Pfd.)
MBT	Mavis Bottling Co. of America (Com.)
MFW	Mayflower Associates, Inc. (Com.)
MAY Pr WW	May Hosiery Mills, Inc. ($4 Pref. with Wts.)
MTU B	McCord Radiator & Mfg. Co. (Class "B")
MRY WS	McCrory Stores Corp. (Stock Wts.)
MQY	McQuay-Norris Mfg. Co.
MJ	Mead Johnson & Co. (Com.)

MED	Mead Pulp & Paper Co. (The) (Com.)
MDW	Meadows Manufacturing Co. (Com.)
MES WS	Melville Shoe Corp. (Warrants)
MPG	Memphis Natural Gas Co. (Com.)
MEU	Mendusa Portland Cement Co.
MST	Mercantile Stores Co., Inc. (Com.)
MST Pr	Mercantile Stores Co., Inc. (7% Pfd.)
MHU A	Merchants & Manufacturers Securities Co. ("A" Com.)
MMU	Merchants & Miners Transportation Co. (The)
MMH	Metal & Mining Shares, Inc. (Com.)
MBV	Mercurbank (Vienna, Austria) (Amer. Shs.)
MGR	Mergenthaler Linotype Co.
MMY	Marrimac Chemical Co.
MEC	Merritt-Chapman & Scott Corp. (Com.)
MEC Pr A	Merritt-Chapman & Scott Corp. (6½% "A" Pfd.)
MSB	Mesabi Iron Co. (Com.)
MTX P Pr	Metal Textile Corp. (Part. Pref.)
MTL	Metal & Thermit Corp. (Com.)
MCI	Metropolitan Chain Stores, Inc. (Com.)
MET A	Metropolitan 5 to 50 Cent Stores, Inc. (Com. "A")
MET B	Metropolitan 5 to 50 Cent Stores, Inc. (Com. "B")
MET Pr	Metropolitan 5 to 50 Cent Stores, Inc. (8% Pfd.)
MPV	Metropolitan Paving Brick Co. (Com.)
MPW	Mexican Lt. & Pw. Co., Ltd. (The) (Com.)
MPW Pr	Mexican Lt. & Pw. Co., Ltd. (The) (7% Pfd.)
MOX	Mexico-Ohio Oil Co. (Com.)
MIG WS	"Miag" Mill Machinery Co. (Stk. Pur. Wts.)
MGU	Michigan Sugar Co. (Com.)
MGU Pr	Michigan Sugar Co. (Pfd.)
MCT	Michigan Steel Tube Products Co. (Com.)
MID A	Mid-Continent Laundries, Inc. (Part. "A")
MWT A	Middle Western Telephone Co. ("A" Com.)
MWU N WI	Middle West Utilities Co. (New Com.) "WI"
MWU R	Middle West Utilities Co. (Rights)
MWU	Middle West Utilities Co. (Com.)
MWU Pr	Middle West Utilities Co. (7% Pfd.)

MWU PL	Middle West Utilities Co. (Prior Lien) .....
MWU 6 Pr	Middle West Utilities Co. ($6 Pfd.) .....
MWU Pr R	Middle West Utilities Co. (Pfd. Rights) ....
MWU N Pr ww wi	Middle West Utilities Co. (New $6 Conv. "A" Pfd., with Wts.) .....
MDY CV Pr	Midland Royalty Corp. ($2 Conv. Pref.) ...
MSP	Midland Steel Products Co. (The) (Com.) ..
MDL	Midland United Co. (Com.) .....
MDU PL	Midland Utilities Co. (7% Prior Lien) .....
MVC	Midvale Co. (Dela. Corp.) .....
MHT CV Pr	Miller and Hart, Inc. (Conv. Pref.) .....
MLO	Miller (I.) & Sons, Inc. (Com.) .....
MLR Pr	Miller Rubber Co. (8% Pfd.) .....
MGM	Milgrim (H.) & Bros. Inc. (Com.) .....
MCD	Mining Corp. of Canada, Ltd. .....
MHW CV Pr	Minneapolis-Honeywell Regulator Co. (7% Conv. Pfd.) .....
MG Pr	Minnesota Pw. & Lt. Co. (7% Pfd.) .....
MIR Pr	Mirror (The) (7% Pfd.) .....
MRP Pr	Mississippi River Power Co. (Pfd.) .....
MSI	Missouri-Illinois Stores Co. (Del.) (Com.) ..
MKP	Missouri-Kansas Pipe Line Co. (Com.) ....
MO	Missouri Portland Cement Co. .....
MJV	Mock, Judson, Voehringer Co., Inc. (Com.)
MOD	Modine Manufacturing Co. .....
MHK D	Mohawk-Hudson Power Corp. (Dep. Rec. Com.) .....
MHK WS D	Mohawk-Hudson Power Corp. (Dep. Rec. Wts.) .....
MHK	Mohawk-Hudson Power Corp. (Com.) .....
MHK 1 Pr	Mohawk-Hudson Power Corp. ($7 1st Pfd.)
MHK 2 Pr	Mohawk-Hudson Power Corp. ($7 2nd Pfd.)
MHK WS	Mohawk-Hudson Power Corp. (Warrants) ..
MWM	Mohawk Mining Co. .....
MKU	Mohawk Rubber Co. (Com.) .....
MLE A	Moloney Electric Co. (Class "A") .....
MGH A	Monighan Manufacturing Corp. (Class "A" Stock) .....
MON	Monolith Portland Cement Co. (Com.) .....
MON Pr	Monolith Portland Cement Co. (Pfd.) .....
MPN Pr	Monongahela West Penn Public Service Co. (7% Pfd.) .....

MRE	Monroe Chemical Co. (Com.)
MRE R	Monroe Chemical Co. (Rights)
MTI DB R	Montecatini (Debenture Rights)
MTI	Montecatini Mining & Agricultural Co., Inc. (Amer. Dep. Rec.)
MLP	Montreal Light, Heat & Pw. Cons. (Com.)
MLP Pr	Montreal Light, Heat & Pw. Cons. (6% Pfd.)
MIV P Pr	Moody's Investors Service (Part Pref.)
MF A	Moore Drop Forging Co. (Class "A")
MOP	Morgan Lithograph Co. (Com.)
MEL	Morison Electrical Supply Co., Inc. (Com.)
MBL	Mortgage Bank of Colombia (Amer. Shs.)
MOT Pr	Motor Products Corp. (N. Y.) (Pfd.)
MGO	Mountain & Gulf Oil Co.
MU	Mountain Producers Corp.
MSW	Mountain States Power Co. (Com.)
MSW Pr	Mountain States Power Co. (7% Pfd.)
MOU	Mountain States Tel. & Tel. Co.
MUL	Mulford (H. K.) Co. (Com.)
MNG	Muncie Gear Co. (Com.)
MNG A	Muncie Gear Co. ("A" Pfd.)
MSV	Municipal Service Corp. (Com.)
MPY	Murphy (G. C.) Co. (Com.)
MPY Pr	Murphy (G. C.) Co. (8% Pfd.)
MSK	Muskegon Motor Specialties Co. (Conv. "A")

N

NSP	Nachman-Springfield Corp.
NMC	Nashua Manufacturing Co. (Com.)
NHN	Nathan Strauss, Inc. (Com.)
NAN	National American Co., Inc.
NVZ	National Aviation Corp.
NAB	National Baking Co. (Com.)
NAB Pr	National Baking Co. (7% Pfd.)
NSV	National Bancservice Corp.
NBY Pr	National Battery Co. (Dela.) (Pfd.)
NBR	National Breweries, Ltd. (Com.)
NCD	National Candy Co. (Com.)
NCD 1 Pr	National Candy Co. (7% 1st Pfd.)
NSK	National Casket Co., Inc. (Com.)
NSK Pr	National Casket Co. (Pfd.)

NCA	National Container Corp. (Com.)
NCA Pr	National Container Corp. ($2 Conv. Pfd.)
NPT Pr A	National Dairy Products Corp. (Pfd. "A")
NET A	National Electric Power Co. (Class "A")
NET B	National Electric Power Co. (Class "B")
NET Pr	National Electric Power Co. (7% Pfd.)
NFM	National Family Stores, Inc. (Com.)
NFM Pr WW	National Family Stores, Inc. ($2 Pref. with Wts.)
NFP	National Fireproofing Co. (Com.)
NFP Pr	National Fireproofing Co. (Pfd.)
NFU A WW	National Food Products Corp. ("A" with Wts.)
NFU	National Food Products Corp. (Class "B")
NFG	National Fuel Gas Co. (Com.)
NGO	National Grocer Co. (Com.)
NGO Pr	National Grocer Co. (6% Pfd.)
NIC	National Investors Corp. (Com.)
NIC Pr	National Investors Corp. (5½% Pfd.)
NIC WS	National Investors Corp. (Warrants)
NAL	National Leather Co. (New Com.)
NAL US	National Leather Co. (Unstamped)
NMU	National Manufacture & Stores Corp. (Com.)
NPL 7 Pr	National Power & Light Co. (Non-Vot. $7 Pfd.)
NPU A	National Public Service Corp. ("A" Com.)
NPU B	National Public Service Corp. ("B" Com.)
NRP CV	National Recording Pump Co. (Conv. Stock)
NRF	National Refining Co. (The) (Com.)
NRU	National Rubber Machinery Co. (The) (Com.)
NTS	National Shirt Shops, Inc. (Com.)
NSL	National Silk Dyeing Co. (Com.)
NSE	National Screen Service Corp.
NSY	National Standard Co. (Mich.)
NSN	National Sugar Refining Co. of N. J.
NTY Pr	National Tea Co. (New 5½% Pfd.)
NTZ	National Theatre Supply Co. (Com.)
NTL	National Tile Co. (Com.)
NLL A	National Toll Bridge Co. ("A" Com.)
NTJ	National Trade Journal, Inc.
NAT	National Transit Co.

NUM	National Union Radio Corp. (Com.)
NAH	Nauheim Phamarcies, Inc. (Com.)
NAH Pr	Nauheim Pharmacies, Inc. (Conv. Pfd.)
NAU	Naumkeag Steam Cotton Co.
NZO	Navigazione Generale Italiana (Amer. Dep. Rec.)
NEL	Nebel (Oscar) Co., Inc. (Com.)
NBK Pr	Nebraska Power Co. (Pfd.)
NEC A	Neet, Inc. (A Conv. Stock)
NHI	Nehi Corporation (Com.)
NHI Pr	Nehi Corporation (1st Pfd.)
NEB Pr	Neisner Bros. Inc. (7% Conv. Pfd.)
NPM A	Neptune Meter Co. (N. J.) ("A" Com.)
NMR	Nestle-LeMur Co. (The) (Class "A")
NVC	Nevada-California Elec. Corp. (Com.)
NVC Pr	Nevada-California Elec. Corp. (7% Pfd.)
NEV	Neve Drug Stores, Inc. (Com.)
NEV A	Neve Drug Stores, Inc. (Conv. "A")
NEV COD A	Neve Drug Stores, Inc. (COD for "A" Conv.)
NEV COD	Neve Drug Stores, Inc. (COD for Com.)
NAM	New Amsterdam Casualty Co.
NBG	New Bedford Gas & Edison Light Co.
NBM	New Britain Machine Co. (Com.)
NE	Newberry (J. J.) Co. (Com.)
NE Pr	Newberry (J. J.) Co. (7% Pfd.)
NBO	New Bradford Oil Co.
NLY	Newcastle-Upon-Tyne Elec. Supply Co., Ltd. (Amer. Dep. Rec. Ord. Reg.)
NCN	New Cornelia Copper Co.
NFO	New England Fuel Oil Corp. (Nevada Corp.)
NER Pr	New England Oil Ref. Co. (7% Pfd.)
NER T	New England Oil Ref. Co. (Trust Ctfs. Com.)
NEG	New England Power Assn. (Com.)
NEG Pr	New England Power Assn. (6% Pfd.)
NPV	New England Public Service Co. (Com.)
NPV PL	New England Public Service Co. ($7 Prior Lien Pfd.)
NPV Pr	New England Public Service Co. ($7 Pfd.)
NTT	New England Tel. & Tel. Co.
NEH	New Haven Clock Co. (The) (Com.)
NHV	New Haven Gas Light Co.
NVW	New Haven Water Co.

NJZ	New Jersey Zinc Co.
NZ	New Mexico & Arizona Land Co.
NEM	Newmont Mining Corp.
NRR	New Orleans Great Northern R. R. Co.
NWO	New Orleans Public Service, Inc. (Com.)
NWO Pr	New Orleans Public Service, Inc. (Pfd.)
NEO	Newport Company (The) (Com.)
NOZ	New Process Co. (Com.)
NQY	New Quincy Mining Company
NRV	New River Co. (The) (Com.)
NRV Pr	New River Co. (The) (6% Pfd.)
NYH	New York & Honduras Rosario Mng Co.
NYA	New York Auction Co., Inc. (Com.)
CN R WI	New York Central R. R. Co. (Rights) "WI"
NYG	New York Hamburg Corp. (Gen. Stk.)
NYV	New York Investors, Inc. (Com.)
NYV WS	New York Investors, Inc. (Warrants)
NYM	New York Merchandise Co., Inc. (Com.)
NYY	New York Petroleum Royalty Corp.
NYP 7 PR	New York Power & Light (7% Pfd.)
NYP 6 PR	New York Power & Light Corp. ($6 Pfd.)
NYR	New York, Rio & Buenos Aires Lines, Inc.
NT Pr	New York Telephone Co. (6½% Pfd.)
NYT	New York Transit Co.
NYZ	New York Transportation Co.
NHP	Niagara Hudson Power Corp. (Com.)
NHP A WS	Niagara Hudson Power Corp. ("A" 15 yr. Opt. Wts.)
NHP B WS	Niagara Hudson Power Corp. ("B" Opt. Wts.)
NIA	Niagara Share Corp. (Com.)
NSZ	Nicholas-Beazley Airplane Co., Inc.
NLS	Nichols & Shepard Co. (Com.)
NLS NR	Nichols & Shepard Co. (Note Rights)
NIL	Niles-Bement-Pond Co. (Com.)
NHW A	Nineteen Hundred Washer Corp. ("A" Stock)
NPS	Nipissing Mines Co., Ltd.
NOB	Noblitt-Sparks Industries, Inc.
NOA	Noma Electric Corp. (Com.)
NOM	Noranda Mines, Ltd.
NTW Pr	Northam Warren Corp. (Conv. Pref.)

NJU	North & Judd Mfg. Co.
NAV	North American Aviation, Inc.
NAC	North American Car Corp. (Com.)
NCT	North American Cement Corp. (Com.)
NLP	North American Light & Power Co. (Com.)
NLP Pr	North American Light & Power Co. ($6 Pfd.)
NOL	North American Oil Consolidated
NUY	North American Utility Securities Corp. (Com.)
NUY 1 Pr	North American Utility Securities Corp. ($6 1st. Pfd.)
NOV	North Boston Lighting Properties (Com.)
NOV T	North Boston Lighting Properties (Tr. Ctfs. for Com.)
NTX	North Central Texas Oil Co., Inc. (Com.)
NOS	North Star Oil, Ltd. (Com.)
NES	Northeastern Power Corp. (Com.)
NES D	Northeastern Power Corp. (Dep. Rec. Com.)
NES A	Northeastern Power Corp. (Class "A")
NI 7 PC Pr	Northern Indiana Public Service Co. (7% Pfd.)
NI 6 PC Pr	Northern Indiana Public Service Co. (6% Pfd.)
NMP	Northern Mexico Pw. & Dev. Co., Ltd. (Com.)
NMP Pr	Northern Mexico Pw. & Dev. Co., Ltd. (7% Pfd.)
NOH 6 Pr	Northern Ohio Pw. & Lt. Co. (6% Pfd.)
NOH 7 Pr	Northern Ohio Pw. & Lt. Co. (7% Pfd.)
NON	Northern Ontario Lt. & Pw. Co., Ltd. (Com.)
NON Pr	Northern Ontario Lt. & Pw. Co., Ltd. (Pfd.)
NP N WI	Northern Pacific-Great Northern (New Com.) "WI"
NPP	Northern Paper Mills (Com.)
NNO	Northern Pipe Line Co.
NST	Northern Securities Stubs
NNS A	Northern States Power Co. (Dela.) ("A" Com.)
NNS Pr	Northern States Power Co. (Dela.) (7% Pfd.)
NOT	Northern Texas Electric Co. (Com.)
NOT Pr	Northern Texas Electric Co. (6% Pfd.)

NWX	Northwest Engineering Co. (Com.) .....
NOG	Novadel-Agene Corp. (The) (Com.) .....
NOG Pr	Novadel-Agene Corp. (The) (7% Pfd.) ....

O

OSU	Oahu Sugar Co., Ltd. .....
OKP A	Oakes Products Corp. ("A" Conv. Pref.) ...
OKP B	Oakes Products Corp. ("B" Stock) .....
OG	Ogilvie Flour Mills Co., Ltd. (Com.) .....
OG Pr	Ogilvie Flour Mills Co., Ltd. (7% Pfd.) ...
OH Pr	Ohio Bell Telephone Co. (The) (7% Pfd.) ..
OHS A	Ohio Brass Co. (The) ("A" Com.) .....
OHS B	Ohio Brass Co. (The) ("B" Com.) .....
OHS Pr	Ohio Brass Co. (The) (6% Pfd.) .....
OC	Ohio Copper Co. of Utah .....
OHO	Ohio Oil Co. .....
OHP Pr	Ohio Power Co. (6% Pfd.) .....
OPU A Pr	Ohio Public Service Co. (The) (7% 1st Pfd. "A") .....
OSV	Ohio Seamless Tube Co. (Com.) .....
OLT A	Oilstocks Limited ("A" Stock) .....
OLT B	Oilstocks Limited ("B" Stock) .....
OKN COD	Oklahoma Natural Gas Co. (COD) .....
OGE Pr	Oklahoma Gas & Electric Co. (7% Pfd.) ..
ORR	Old Colony Railroad Co. .....
OLV A	Oliver United Filters, Inc. (Conv. "A") ....
OLV B	Oliver United Filters, Inc. ("B" Stock) ...
OY	Olympia Theatres, Inc. (Com.) .....
OUY	Oneida Community, Ltd. (Com.) .....
OUY Pr	Oneida Community, Ltd. (Part. Pfd.) .....
ONT	Ontario Manufacturing Co. (Com.) .....
OPP V	Oppenheimer (S.) & Co. (VTC Com.) .....
OCU	Orange-Crush Co. (Ill.) .....
OBD A	Outboard Motors Corp. ("A" Conv. Pref.) ..
OBD B	Outboard Motors Corp. ("B" Com.) .....
OVU	Overseas Securities Company, Inc. .....
OVS	Ovington Bros. Co. (Part. Pref.) .....
OWX	Owl Drug Co. (The) (Com.) .....
OWX Pr	Owl Drug Co. (The) (8% Pfd.) .....

P

PKE	Packard Electric Co. (Com.)
PCB	Pacific Coast Biscuit Co. (Com.)
PCB Pr	Pacific Coast Biscuit Co. (Pfd.)
PCG 1 Pr	Pacific Gas & Electric Co. (6% 1st Pfd.)
PLT Pr	Pacific Lighting Corp. ($6 Pfd.)
PPW Pr	Pacific Power & Light Co. (Pfd.)
PPU A	Pacific Public Service Co. ("A" Com.)
PTC	Pacific Tin Corp. (Special Stock)
PWO	Pacific Western Oil Corp.
PHT	Page-Hersey Tubes, Ltd. (Com.)
PAN	Pandem Oil Corp. (Com.)
POV	Pantepec Oil Co. of Venezuela
PAI	Paraffine Co.'s (The) (Com.)
PAF V	Paragon Refining Co. (The) (VTC "B" Com.)
PAF Pr	Paragon Refining Co. (The) ("A" Pref.)
PRU	Paramount Cab Mfg. Corp. (Com.)
FP N WI	Paramount Famous Lasky Corp. (New Com.) "WI"
PKU Pr	Parke, Austin & Lipscomb, Inc. (Conv. Part. Pfd.)
PDC	Parke Davis & Co.
PKR	Parker Pen Co. (The) (Com.)
PRK	Parker Rust-Proof Co. (Com.)
PME	Parmelee Transportation Co. (Com.)
PGU	Patchogue Plymouth Mills Corp. (Com.)
PSR	Patterson-Sargent Co. (Com.)
PSX	Peck, Stow & Wilcox Co. (The)
PCT Pr	Penn Central Lt. & Pw. Co. ($5 Pfd.)
PMX	Penn-Mex Fuel Co. (Com.)
POE	Penn-Ohio Edison Co. (Com.)
POE 6 Pr	Penn-Ohio Edison Co. ($6 Pfd.)
POE P Pr	Penn-Ohio Edison Co. (7% Prior Pfd.)
POE WS	Penn-Ohio Edison Co. (Warrants)
POE B WS	Penn-Ohio Edison Co. ("B" Warrants)
POE D	Penn-Ohio Edison Co. (Dep. Rec. for Com.)
POE WS D	Penn-Ohio Edison Co. (Rep. Rec. for Opt. Wts.)
POE B WS D	Penn-Ohio Edison Co. (Dep. Rec. for Opt. Wts. "B")
PNO V	Pennroad Corp. (VTC Com.)

PNO V R	Pennroad Corp. (The) (Rights) .....
PGE A	Pennsylvania Gas & Elec. Corp. ("A" Part. Stock) .....
POP 7 Pr	Pennsylvania-Ohio Pw. & Lt. Co. (7% Pfd.)
POP 6 Pr	Pennsylvania-Ohio Pw. & Lt. Co. ($6 Series Pfd.) .....
PPL Pr	Pennsylvania Power & Light Co. ($7 Pfd.)
PPL 6 Pr	Pennsylvania Power & Light Co. ($6 Pfd.)
PSM	Pennsylvania Salt Mfg. Co. .....
PWW	Pennsylvania Water & Power Co. (Com.) ..
PDG	People's Drug Stores, Inc. (MD) (Com.) ...
PLW A	People's Light & Power Corp. ("A" Com.)
PEP	Pepperell Manufacturing Co. .....
PEF	Perfect Circle Co. (The) .....
PFV	Perfection Stove Co. .....
PEY	Perryman Electric Co., Inc. (Com.) .....
PET Pr	Pet Milk Co. (7% Pfd.) .....
PEO	Petroleum Corp. of America .....
PHP Pr	Philadelphia Electric Power Co. (8% Pfd.)
PHL	Philadelphia Traction Co. .....
PMR	Philip Morris Consolidated, Inc. (Com.) ...
PMR A	Philip Morris Consolidated, Inc. (Class "A")
P WS	Philips Petroleum Co. (Stock Wts.) .....
PWK	Pickwick Corp. (The) (Com.) .....
PWK 7 Pr	Pickwick Corp. (7% Pfd.) .....
PWK 8 Pr	Pickwick Corp. (The) (8% Pfd.) .....
PBK A	Pie Bakeries of Amer., Inc. (Class "A") ...
PBK Pr	Pie Bakeries of Amer., Inc. (7% Pfd.) ....
PHY WS	Piedmont Hydroelectric Co. (SIP) (Stock Pur. Wts.) .....
PD	Piedmont & Northern Rwy. Co. .....
PBP	Pierce Butler & Pierce Mfg. Corp. (Com.) ..
PBP Pr	Pierce, Butler & Pierce Mfg. Corp. (8% Pfd.)
PGV	Pierce Governor Co. (Com.) .....
PLU A	Pilot Radio & Tube Corp. ("A" Stock) ....
PJY	Pinchin, Johnson & Co., Ltd. (Amer. Shs.)..
PWF	Pines Winterfront Co. (New) .....
PNY	Pitney-Bowes Postage Meter Co. .....
PLE	Pittsburgh & Lake Erie R. R. Co. .....
PBL	Pittsburgh, Bessemer & Lake Erie R. R. Co. (Com.) .....

PBL Pr	Pittsburgh Bessemer & Lake Erie R. R. Co. (6% Pfd.)
PGH	Pittsburgh Oil & Gas Co.
PPG	Pittsburgh Plate Glass Co. (Com.)
PG	Pittsburgh Steel Co. (Com.)
PLY	Plymouth Cordage Co.
PYO	Plymouth Oil Company (Com.)
PYT	Polymet Mfg. Corp. (Com.)
PCP	Pond Creek Pocahontas Co.
PEN	Poole Engineering & Machine Co.
PLP	Portland Electric Power Co. (Com.)
POT	Potosi Gold & Silver Mining Co.
POU	Potrero Sugar Co. (Com.)
PDR	Powdrell & Alexander, Inc. (Com.)
POW	Power Corp. of Canada, Ltd. (Com.)
POW 1 Pr	Power Corp. of Canada, Ltd. (6% 1st Pfd.)
PWS	Power Securities Corp. (Com.)
PWS Pr	Power Securities Corp. (Non-Cum. 2nd Pfd.)
PM	Pratt & Lambert, Inc.
PL	Premier Gold Mining Co., Ltd.
PTN P CV	Prentice-Hall, Inc. (Part. Conv.)
PBR	Price Bros. Co., Ltd. (Com.)
PRW	Prince & Whitely Trading Corp. (Com.)
PRW Pr	Prince & Whitely Trading Corp. (Conv. Pfd. "A")
PRZ	Printz-Biederman Co. (The) (Com.)
PGM 8 Pr	Procter & Gamble Co. (The) (8% Pfd.)
PRP	Propper Silk Hosiery Mills, Inc. (Com.)
PVY	Providence Gas Co.
PVY R WI	Providence Gas Co. (Rights) "WI"
PRN Pr	Prudence Co., Inc. (7% Pfd.)
PUV	Prudential Investors, Inc. (Com.)
PSI X	Public Service Co. of No. Ill. (Com.)
PSI	Public Service Co. of No. Ill. (Com.)
PSI 6 Pr	Public Service Co. of No. Ill. (6% Pfd.)
PSI 7 Pr	Public Service Co. of No. Ill. (7% Pfd.)
PUW Pr	Puget Sound Pw. & Lt. Co. (6% Pfd.)
PI	Pyrene Mfg. Co., Inc. (Com.)

Q

QRS	Q. R. S. De Vry Corp. (Com.)
QO	Quaker Oats Co. (Com.)

QO Pr	Quaker Oats Co. (6% Pfd.)
QC	Queen Creek Copper Co.
QU	Quincy Mining Co.

R

RAD	Radio Products Corp. (Com.)
RYS	Railway & Light Sec. Co. (Dela.) (Com.)
RNW	Rainbow Luminous Products, Inc. ("A" Com.)
RNW B	Rainbow Luminous Products, Inc. ("B" Com.)
RKX WS	Rand Kardex Bureau, Inc. (Warrants)
RAP	Rapid Electrotype Co. (The)
RHP	Rath Packing Co. (The) (Com.)
RST	Raybestos Co. (The) (Com.)
RCL	Raymond Concrete Pile Co. (Com.)
RCL CV Pr	Raymond Concrete Pile Co. ($3 Conv. Pfd.)
RTN V	Raytheon Mfg. Co. (VTC Com.)
RED	Red Bank Oil Co.)
RWO	Red Warrior Mining Co.
RBH	Reece Buttonhole Machine Co.
RSH Pr	Regal Shoe Co. (Pfd.)
RFO	Reiter-Foster Oil Corp.
RES	Reliable Stores Corp. (Com.)
RBZ	Reliance Bronze & Steel Corp. (Com.)
RMG	Reliance Management Corp. (Com.)
RMC	Reliance Manufacturing Co. (Ohio Corp.)
RR DB R	Remington Rand, Inc. (Deb. Rights)
RPT	Repetti, Inc.
RB WS	Republic Brass Corp. (Warrants)
RMT V	Republic Motor Truck Co., Inc. (VTC Com.)
RMT Pr	Republic Motor Truck Co., Inc. (7% Pfd.)
REY	Reynolds Bros. Inc. (Dela. Corp.)
RLM	Reynolds Metals Co. (Com.)
RWE WS	Rhine-Westphalia Elec. Pw. Corp. (Warrants)
RP A	Rhode Island Public Service Co. (Class "A")
RP Pr	Rhode Island Public Service Co. ($2 Pfd.)
RW	Rice Stix Dry Goods Co. (Com.)
RHL WS	Richard Hellmann, Inc. (Warrants)
RSV	Richardson Co. (The) (Com.)

RIL Pr XW	Richfield Oil Co. of Cal. (Del.) (7% Pfd. without Wts.)
RCM	Richman Bros. Co. (New)
RRD	Richmond Radiator Co. (Com.)
RRD Pr	Richmond Radiator Co. (Pfd.)
RRD CV Pr	Richmond Radiator Co. (7% Convert. Pfd.)
RIC	Rich's, Inc. (Com.)
RIC Pr	Rich's, Inc. (6½% Conv. Pfd.)
RIK	Rike-Kumler Co. (Com.)
RTV	Rio Tinto Co., Ltd. (Amer. Dep. Rec. for Ord.) (Bearer)
RTV Pr	Rio Tinton Co., Ltd. (Amer. Dep. Rec. for Pref.) (Bearer)
RVW	River Raisin Paper Co.
RNO	Roan Antelope Copper Mines, Ltd. (Amer. Shs.)
RCP	Rochester Central Power Corp. (Com.)
RGS B Pr	Rochester Gas & Elec. Corp. (7% "B" Pfd.)
RGS C Pr	Rochester Gas & Elec. Corp. (6% "C" Pfd.)
RGS D Pr	Rochester Gas & Elec. Corp. (6% "D" Pfd.)
RCK T	Rockland Light & Power Co. (Stk. Tr. Ctfs.)
ROL CV Pr	Rollins Hosiery Mills, Inc. ($3.60 Conv. Pfd.)
ROY Pr	Rolls-Royce of America, Inc. (7% Pfd.)
RRO	Rolls-Royce, Ltd. (Amer. Dep. Rec. Ord.) (Reg.)
RVF	Roosevelt Field, Inc.
RSG	Ross Gear & Tool Co. (Com.)
RE	Ross Stores, Inc. (The) (Com.)
ROO P Pr	Root Refining Co. (Conv. Prior Pref.)
ROO	Root Refining Co. (Com.)
RTI	Royal Typewriter Co., Inc. (Com.)
RPL	Rubber Plantations Investment Trust Ltd. (Amer. Dep. Rec. Ord. Reg.)
RUB	Ruberoid Co.
RGU	Rudolph Guenther-Russell Law, Inc. (Com.)
RSK	Russeks Fifth Avenue, Inc.
RUD	Ruud Manufacturing Co. (Com.)
RYN	Ryan Cons. Petroleum Corp.
RYE	Ryerson (Joseph T.) & Son, Inc.

S

SFY	Safety Car Heating & Lighting Co. (Com.) ..
SAF O WS	Safeway Stores, Inc. (Old 5th Warrants) ..
SAF II WS	Safeway Stores, Inc. (2nd Series Warrants)
SAL	St. Anthony Gold Mines, Ltd. .....
STL	St. Louis Car Co. (Com.) .....
SLP	St. Louis Independent Packing Co. (Com.)
SLR	St. Louis Rocky Mt. & Pac. Co. (Com.) ...
SMR	St. Mary's Mineral Land Co. .....
SRT	St. Regis Paper Co. (Com.) .....
SRT Pr	St. Regis Paper Co. (7%) Pfd. .....
SCK	Salt Creek Cons. Oil Co. .....
SKP	Salt Creek Producers Assn., Inc. .....
STR	Samson Tire & Rubber Co. (Com.) .....
SFM	Sanford Mills (Com.) .....
SEC	Sangamo Electric Co. (Com.) .....
SFO	San Francisco Mines of Mexico, Ltd. (Amer.
SJL	Dep. Rec. Ord. Reg.) .....
	San Joaquin Lt. & Pw. Corp. (Com.) .....
SJL A Pr	San Joaquin Lt. & Pw. Corp. (7% "A" Pfd.)
SJL B Pr	San Joaquin Lt. & Pw. Corp. (6% "B" Pfd.)
SVU	Savannah Sugar Refining Corp. (Com.) ....
SVU Pr	Savannah Sugar Refining Corp. (7% Pfd.)
SVY	Savoy Oil Co. .....
SCF	Schiff Co. (The) (Com.) .....
SCL A	Schlesinger (B. F.) & Sons, Inc. ("A" Com.)
SCL Pr	Schlesinger (B. F.) & Sons, Inc. (7% Pfd.)
SLZ	Schletter & Zander, Inc. (VTC. Com.) .....
SLZ Pr	Schletter & Zander, Inc. (Conv. Pref.) ....
SRE	Schulte Real Estate Co., Inc. (Com.) .....
SHT	Schulte-United 5c to $1 Stores, Inc. (Com.)
SHT Pr	Schulte-United 5c to $1 Stores, Inc. (7% Conv. Pfd.) .....
SHT R	Schulte-United 5c to $1 Stores, Inc. (Rights)
SJC A	Schutter-Johnson Candy Co. ("A" Conv.) .
SCO	Scotten Dillon Co. .....
SVM	Scovill Manufacturing Co. .....
SUS P Pr	Scullin Steel Co. (Part. Pref.) .....
SNG	Securities Corp. General (Com.) .....
SNG 1 Pr	Securities Corp. General (1st Pfd.) .....
SEG	Segal Lock & Hardware Co., Inc. (Com.) ..
SEE	Seeman Bros., Inc. (Com.) .....

SUV	Seiberling Rubber Co. (Com.)
SUV Pr	Seiberling Rubber Co. (8% Pfd.)
SBY	Selby Shoe Co. (The) (Com.)
SLE II Pd	Selected Industries, Inc. (Allot. Ctfs., 1st and 2nd Paid $75)
SLE	Selected Industries, Inc. (Com.)
SLE Pr	Selected Industries, Inc. ($5.50 Div. Prior Stk.)
SPV	Selfridge Provincial Stores, Ltd. (Amer. Dep. Rec.)
SER	Sentry Safety Control Corp.
SVD V Pr	Servel, Inc. (VTC. for Pfd.)
SEL	Seton Leather Co. (Com.)
SDH	Sharpe & Dohme, Inc. (Com.)
SDE	Shattuck Denn Mining Corp. (Com.)
SWW	Shawinigan Water & Power Co.
SHE	Sheaffer (W. A.) Pen Co. (Com.)
SSL	Sheffield Steel Corp. (Com.)
SAH	Shenandoah Corp. (The) (Com.)
SAH CV Pr	Shenandoah Corp. (The) (Opt. 6% Conv. Pref. Series of 1929)
SRW	Sherwin-Williams Co. of Canada, Ltd. (Com.)
SHW	Sherwin-Williams Corp. (Com.)
SVO	Shreveport-El Dorado Pipe Line Co., Inc.
SBL	Sidney Blumenthal & Co. Inc. (Com.)
SHS	Siemens & Halske A. G. (Berlin) (Amer. Dep. Rec. Com.)
SPE	Sierra Pacific Electric Co. (Com.)
SPE Pr	Sierra Pacific Electric Co. (6% Pfd.)
SPE R	Sierra Pacific Electric Co. (Rights)
SND	Signode Steel Strapping Co. (Com.)
SND Pr	Signode Steel Strapping Co. (Pref.)
SND WS	Signode Steel Strapping Co. (Warrants)
SIK	Sikorsky Aviation Corp. (Com.)
SIG V	Silica Gel Corp. (VTC. Com.)
SGP	Silica Gel Products Corp. (Com.)
SGP Pr	Silica Gel Products Corp. (Pfd.)
SKM	Silver King Coalition Mines Co.
SBO CV Pr	Simmons-Boardman Pub'ng Co. (Conv. Pfd.)
SMF	Singer Manufacturing Co.
SIL	Singer Manufacturing Co., Ltd.

SOX Pr	Sioux City Gas & Elect. Co. (7% Pfd.) ....
SIS	Sisto Financial Corp. ....
SKO	Skinner Organ Co. (Com.) ....
AOS	Smith (A. O.) Corp. (Com.) ....
AOS Pr	Smith (A. O.) Corp. (Pfd.) ....
SVS	Snia-Viscosa (Ord. Shs.) ....
SVS I	Snia-Viscosa (Inter. Rec. Chase Nat. Bank)
SGO	Societa Generale Elettrica dell' Adamello (Amer. Dep. Rec. Com.) ....
SLO	Solar Refining Co. ....
SNC	Sonora Products Corp. of America (Com.)..
SAG	South American Gold & Platinum Corp.....
SSX	South Coast Co. (The) (Com.) ....
SP	South Penn Oil Co. ....
SEP WS	Southeastern Pr. & Lt. Co. (Option Warrants ....
SEP	Southeastern Pw. & Lt. Co. (Com.).....
SEP V	Southeastern Pw. & Lt. Co. (VTC Com.)....
SEP Pr	Southeastern Pw. & Lt. Co. ($7 Pfd.) .....
SEP P Pr	Southeastern Pw. & Lt. Co. (Part. Pfd.).....
SEP D	Southeastern Power & Light Co. (Dep. Rec. for Com.) ....
SEP WS D	Southeastern Power & Light Co. (Dep. Rec. for Opt. Wts.) ....
SOL	Southern Acid & Sulphur Co. (Com.) .....
SSZ	Southern Asbestos Co. (Com.) ....
SCE Pr	Southern California Edison Co. (Orig. 8% Pfd.) ....
SCE A Pr	Southern California Edison Co. (7% Pfd. "A") ....
SCE B Pr	Southern California Edison Co. (6% Pfd. "B") ....
SCE C Pr	Southern California Edison Co. (5½% "C" Pfd.) ....
SPN	Southern Canada Power Co., Ltd. (Com.) ...
SCU A	Southern Cities Utilities Co. ("A" Com.)...
SCU Pr	Southern Cities Utilities Co. (7% Pfd.) ....
SCW A	Southern Colorado Power Co. (Class "A")..
SOR	Southern Corporation (Com.) ....
SGY A	Southern Grocery Stores, Inc. (Com. "A")..
SGY	Southern Grocery Stores, Inc. (Com.).....
SUI A	Southern Ice & Utilities Co. ("A" Com.)....

SUI B	Southern Ice & Utilities Co. ("B" Com.) ....
SNE	Southern New England Telephone Co. .....
SPS	Southern Phosphate Corp. .....
SPL	Southern Pipe Line Co. .....
SPU	Southern Public Utilities Co. .....
SSP A	Southern Stores Corp. (Part Class "A")....
SUT	Southern Utilities Co. (Com.) .....
SUT Pr	Southern Utilities Co. (7% Pfd.) .....
SRO	Southland Royalty Co. (Com.) .....
SOD	Southwest Dairy Products Co. (Com.).....
SOD Pr WW	Southwest Dairy Products Co. (7% Pfd., with Wts.) .....
SOE	Southwest Gas Utilities Corp. (Com.) .....
SWP	South West Pennsylvania Pipe Lines .....
SWB Pr	Southwestern Bell Tel. Co. (7% Pfd.) .....
SPW Pr	Southwestern Pw. & Lt. Co. (Pfd.) .....
SGC R	Spanish & General Corp., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.) .....
SGC B	Spanish & General Corp. Ltd. (Amer. Dep. Rec. for Ord. (Bearer).....
SMS PR	Spiegel, May, Stern Co., Inc. (6½% Pfd.)..
SXY	Springfield Gas Light Co. (Mass.) .....
SQU A	Square D Co. ("A" Pfd. with Wts.) .....
SQU B	Square D Co. ("B" Com.) .....
SLM	Stahl-Meyer, Inc. (Com.) .....
SLY Pr	Staley (A. E.) Manufacturing Co. (7% Pfd.)
STS	Stamford Gas & Electric Co. (The) .....
SCS	Standard Cap & Seal Corp. .....
SDT Pr	Standard Commercial Tob. Co., Inc. (Pfd.)..
SDR	Standard Dredging Co. (Com.) .....
SDR CV Pr	Standard Dredging Co. (Convert. Pref.) ....
SG P Pr	Standard Gas & Elec. Co. (7% Prior Pref.)..
STD Pr WW	Standard Investing Corp. ($5.50 Pfd. with Wts.) .....
SMO	Standard Motor Construction Co. (Com.) ..
SN	Standard Oil Co. (of Indiana) .....
SKA	Standard Oil Co. (of Kansas) .....
SKY	Standard Oil Co. (of Kentucky) .....
SNB	Standard Oil Co. (of Nebraska) .....
SOH	Standard Oil Co. (of Ohio) (Com.) .....
SOH Pr	Standard Oil Co. (of Ohio) (Pfd.) .....
SWD	Standard Power & Light Corp. (Del.) (Com.)

SWD Pr	Standard Power & Light Corp. (Del.) (Pfd.)
SPC A	Standard Publishing Corp. (Class "A") ...
SSC	Standard Screw Co. (Com.) .....
SSM	Standard Silver-Lead Mining Co. .....
SSG	Standard Steel Propeller Corp. (Com.) ....
SSG COD	Standard Steel Propeller Corp. (Ctfs. of Dep.) .....
SDP	Standard Steel Spring Co. (Com.) .....
STK	Standard Tank Car Co. (Com.) .....
STK 1 Pr	Standard Tank Car Co. (8% 1st Pfd.).....
STP	Standard Textile Products Co. (Com.) .....
STP A Pr	Standard Textile Products Co. (7% "A" Pfd.) .....
STP B Pr	Standard Textile Products Co. (7% "B" Pfd.) .....
SWY	Stanley Works (The) (Com.) .....
STC	Starrett Corp. (The) (Com.) .....
STC Pr	Starrett Corp. (The) (6% Pfd., with Privilege) .....
STE	Steel Co. of Canada, Ltd. (Ord.) .....
STE Pr	Steel Co. of Canada, Ltd. (Pref.) .....
STT	Stein (A.) & Company (Com.) .....
STT Pr	Stein (A.) & Company (6½% Pfd.) .....
SCM	Stein Cosmetics Co., Inc. (Com.) .....
SBI	Sterchi Bros. Stores, Inc. (Com.) .....
SMT Pr	Sterling Motor Truck Co. (Conv. Pfd.) ....
STN A	Stern Bros. (Class "A") .....
STN V	Stern Bros. (VTC Com.) .....
SET	Stetson (John B.) Co. (Com.) .....
SXB	Stix, Baer & Fuller Co. (Com.) .....
SUR	Strauss-Roth Stores, Inc. (Com.) .....
SWC Pr	Strawbridge & Clothier (7% Pfd.) .....
STO	Stromberg-Carlson Tele. Mfg. Co. (Com.) ..
SOK	Stroock (S.) & Co., Inc. .....
SWV	Struthers Wells-Titusville Corp. (Com.) ....
SDO	Studebaker Mail Order Co. (Com.) .....
SDO A	Studebaker Mail Order Co. ("A" Stock)....
SUZ	Stutz Motor Car Co. of America, Inc. .....
SUL	Sullivan Machinery Co. .....
SUY	Sunray Oil Corp. (Dela.) .....
SIN	Sun Investing Co., Inc. (Com.) .....

SIN Pr	Sun Investing Co., Inc. ($3 Conv. Series Pfd.)
SUO Pr WW	Sunset Stores, Inc. ($3.50 Pfd. with Wts.)
SPH	Superheater Co. (The)
SI WS B	Superior Oil Corp. ("B" Option Wts.)
SPR A	Superior Portland Cement, Inc. ("A" Part.)
SPT	Super Maid Corp. (Com.)
SU	Sutherland Paper Co. (Com.)
SWO	Swan-Finch Oil Corp. (Com.)
SWO Pr	Swan-Finch Oil Corp. (7% Pfd.)
SWE A	Swedish Match Co. (Class "A" Stock)
SWE B	Swedish Match Co. (Class "B" Stock)
SWI	Swift Internacional (Compania)
SWX	Swift & Co.
SDI Pr WW	Swiss-American Elec. Co. ($6 Pfd. with Wts.) 518 Swiss Francs, equals
SYW B	Syracuse Washing Machine Corp. ("B" Com.)

T

TAG	Taggart Corporation (Com.)
TE	Tampa Electric Co. (Com.)
TGK	Tanganyika Concessions, Ltd. (Amer. Dep. Rec. Ord. Reg.)
TAY	Taylor Milling Corp. (Com.)
THU	Teck-Hughes Gold Mines, Ltd.
TC V	Tennessee Cent. Rlwy Co. (VTC for Com.)
TEP 7 Pr	Tennessee Elec. Pw. Co. (7% 1st Pfd.)
TNU	Tennessee Products Corp. (Com.)
THI	Terre Haute, Indianapolis & East. Trac. Co. (Com.)
THI Pr	Terre Haute, Indianapolis & East. Trac. Co. (5% Pfd.)
TER	Terni-Societa per L'Industria e L'Elettricita (Amer. Dep. Rec.)
TXP Pr	Texas Power & Light Co. (7% Pfd.)
TEX	Texon Oil & Land Co.
THR	Thermoid Company (Com.)
THR Pr	Thermoid Company (7% Conv. Pfd.)
TNI	Third National Investors Corp. (Com.)
TPR A	Thompson Products, Inc. ("A" Stock)

TPR B	Thompson Products, Inc. ("B" Stock)
TST	Thompson-Starrett Co., Inc. (Com.)
TST Pr XW	Thompson-Starrett Co., Inc. ($3.50 Pref., without Wts.)
TPO	Thurber Earthern Products Co.
TDX Pr	Timken-Detroit Axle Co. (The) (Pfd.)
TNS	Tin Selection Trust, Ltd. (Amer. Dep. Rec. Reg. Shs.)
TIS	Tishman Realty & Const. Co., Inc.
TAB	Tobacco & Allied Stocks, Inc.
TOP	Tobacco Products Export Corp.
TOD	Todd Shipyards Corp.
TDY A	Toddy Corp. (Class "A" Stock)
TDY A COD	Toddy Corp. (COD. for "A")
TDY B COD	Toddy Corp. (COD. for "B" VTC)
TDY V B	Toddy Corp. (VTC for "B" Com.)
TED 7 Pr	Toledo Edison Co. (7% Pref. "A")
TED 6 Pr	Toledo Edison Co. (Pref. 6% Series)
TBL	Tonopah Belmont Dev. Co.
TPM	Tonopah Mining Co. of Nevada
TOR	Torrington Co. of Maine (The)
TRM	Transamerica Corporation
TRM R WI	Transamerica Corp. (Rights) "WI"
TAN	Transcontinental Air Transport, Inc.
TAN V	Transcontinental Air Transport, Inc. (VTC)
TCN Pr	Transcontinental Oil Co. (7% Pfd.)
TCN BR	Transcontinental Oil Co. (Bond Rights)
TLX	Trans Lux Daylight Picture Screen Corp. (Com.)
TRA	Travel Air Company
TRS	Traveler Shoe Stores Corp. (Com.)
TCP U	Tri-Continental Allied Co., Inc. (Unit Ctfs.)
TCL	Tri-Continental Corp. (Com.)
TCL PR WW	Tri-Continental Corp. (6% Pfd. with Wts.).
TSX	Triplex Safety Glass Co., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.)
TT	Tri-State Tel. & Tel. Co. (Com.)
TT Pr	Tri-State Tel. & Tel. Co. (6% Pfd.)
TRU	Tri-Utilities Corp. (Com.)
TUY	Troy Laundry Machinery Co., Ltd., (Com.).
TS	Trumbull Steel Co. (Com.)
TS DB R	Trumbull Steel Co. (Debenture Rights)

TNZ	Trunz Pork Stores, Inc.
TUX Pr	Truscon Steel Co. (7% Pfd.)
TUZ B V	Tubize Artificial Silk Co. of Amer. (VTC "B" Com.)
TUL	Tulip Cup Corp. (Com.)
TUW	Tung-Sol Lamp Works, Inc. (Com.)
TUW Pr	Tung-Sol Lamp Works, Inc. ($3 Conv. Pref.)

U

ULE	Ulen & Company (Com.)
UER	Underground Elec. Rwys. Co. of London, (Amer. Dep. Rec. Ord. Reg.)
UAI	Union American Investing Corp. (Com.)
UGS BR	Union Gas Utilities, Inc. (Bond Rights)
ULS	Union Mills, Inc. (Com.)
UNG	Union Natural Gas Co. of Canada, Ltd.
UOL	Union Oil Associates, Inc.
UST	Union Steel Castings Co. (Com.)
UOS	Union Stock Yards Co. of Omaha, Ltd.
UTC	Union Tobacco Co. (The) (Com.)
UTP	Union Traction Co. (Pa.) ($17.50 Paid in)
UTW	Union Twist Drill Co. (Com.)
UCB PR	United Carbon Co. (Pfd.)
UCF	United-Carr Fastener Corp. (Com.)
UCH	United Chemicals, Inc. (Com.)
UCH P Pr	United Chemicals, Inc. ($3 Cum. & Part. Pfd.)
U WS	United Corp. (The) (Option Wts.)
UDO	United Dry Docks, Inc. (Com.)
UES	United Eastern Mining Co.
UEC	United Elastic Corp.
USY	United Electric Service Co. (Amer. Shs.)
USY BR	United Electric Service Co. (Bond Rights)
UEY	United Engineering & Foundry Co. (Com.)
UNT	United Gas Company (Com.)
UGE Pr	United Gas & Elec. Corp. (Pfd.)
UHA Pr	United Hotels Co. of Amer. (7% Pfd.)
UO	United Illuminating Co.
UNL A	United Light & Power Co. ("A" Com.)
UNL B	United Light & Power Co. ("B" Com.)
UNL CV Pr	United Light & Power Co. ($6 Conv. 1st Pfd.)

UMK	United Milk Products Corp. (Com.) .....
UMK PR	United Milk Products Corp. (7% Pfd.) .....
UMO	United Molasses Co., Ltd. (Amer. Dep. Rec. Ord. Reg.) .....
UMO Pr	United Molasses Co., Ltd., (Amer. Dep. Rec. 6% Pref.) .....
UVW	United New Jersey R. R. & Canal Co. .....
UPR	United Porto Rican Sugar Co. (Com.) .....
UPR Pr	United Porto Rican Sugar Co. (Conv. Part. Pfd.) .....
UI	United Profit Sharing Corp. (Com.) .....
UI Pr	United Profit Sharing Corp., (10% Pfd.)...
UPV	United Public Service Co. (Com.) .....
URF	United Rayon Factories A. G. (Amer. Dep. Rec.) .....
URS A XW	United Reproducers Corp. ("A" Stock without Wts.) .....
URS B	United Reproducers Corp. ("B" Stock) ....
URC Pr	United Retail Chemists Corp. (Pfd.) .....
URC A	United Retail Chemists Corp. ("A" Stk.) ...
URC V B	United Retail Chemists Corp. (VTC for "B" Stock) .....
URE	United Rwys. & Elect. Co. of Balto. (Com.) .
USH	United Shoe Machinery Corp. (Com.) .....
USH Pr	United Shoe Machinery Corp. (Pfd.) .....
UIN II Pd	United States & International Securities Corp. (Allot. Ctfs., Part Paid) ($50) .....
UTS	United States Asbestos Co. (Com.) .....
UCN	United States Can Co. (Com.) .....
UDI A	United States Dairy Products Corp. ("A" Com.) .....
UDI B	United States Dairy Products Corp. ("B" Com.) .....
USV	United States Envelope Co. (Com.) .....
USN	United States Finishing Co. (Com.) .....
USN Pr	United States Finishing Co. (Pfd.) .....
USF B	United States Foil Co., Inc. ("B" Com.) ....
USG	United States Gypsum Co. (Com.) .....
USG Pr	United States Gypsum Co. (Pfd.) .....
UTT PR	United States Lines, Inc. (Pref.) .....
ULU	United States Lumber Co. .....
USP	United States Playing Card Co. (Com.) .....

USP COD	United States Playing Card Co. (Ctfs. of Dep.)
UPL	United States Printing & Lithograph Co. (Com.)
UPL N	United States Printing & Lithograph Co. (New Com.)
UNS	United States Radiator Corp. (Com.)
UNS V	United States Radiator Corp. (VTC Com.)
UNS Pr	United States Radiator Corp. (7% Pfd.)
USU	U. S. Rubber Reclaiming Co., Inc. (Com.)
USU Pr	U. S. Rubber Reclaiming Co., Inc. (8% Pfd.)
USU P Pr	U. S. Rubber Reclaiming Co., Inc. (Prior Pref.)
USU A Pr	U. S. Rubber Reclaiming Co., Inc. ("A" Pfd.)
UNF WW	United States Shares Financial Corp. (with Wts.)
USS A	United States Stores Corp. ("A" Com.)
USS B	United States Stores Corp. ("B" Com.)
USS P Pr	United States Stores Corp. (7% Prior Conv. Pfd.)
USS Pr	United States Stores Corp. (8% Pfd.)
USR	United Stores Corp. (Com.)
UVE	United Verde Extension Mining Co.
UWP	United Wall Paper Factories, Inc. (Com.)
UZZ	United Zinc Smelting Corp.
UGM	Unity Gold Mines Co.
UA	Universal Aviation Corp. (Com.)
UNV	Universal Insurance Co.
UVP	Universal Pictures Co., Inc. (Com.)
UVP Pr R	Universal Pictures Co., Inc. (Pfd. Rights)
UNP	Universal Products Co., Inc.
UXX	Utah Apex Mining Co.
UMT	Utah Metal & Tunnel Co.
UPW Pr	Utah Power & Light Co. ($7 Pfd.)
UTU	Utah Radio Products Co. (Com.)
UT Pr	Utica Gas & Electric Co. (7% Pfd.)
UTK	Utica Knitting Co. (Com.)
UL V B	Utilities Power & Light Corp. (VTC "B")
UL	Utilities Power & Light Corp. (Non-Vt. Com.)
ULY	Utility and Industrial Corp. (Com.)

ULY Pr	Utility and Industrial Corp. (Conv. Pfd.) ..
UY	Utility Equities Corp. (Com.) .....

V

VZ	Vacuum Oil Co. .....
VA Pr	Valvoline Oil Co. (Pfd.) .....
VAN	Vanadium-Alloys Steel Co. .....
VMK Pr WW	Van Camp Milk Co. (7% Pfd. with Wts.) ..
VI	Van Camp Packing Co., Inc. (Com.) .....
VI Pr	Van Camp Packing Co., Inc. (7% Pfd.) ....
VDR	Veeder-Root, Inc. .....
VMO	Venezuelan Mexican Oil Corp. (Com.) .....
VMO Pr	Venezuelan Mexican Oil Corp. (Pfd.) .....
VZP	Venezuelan Petroleum Co. .....
VB	Vesta Battery Corp. (Com.) .....
VIC	Vick Financial Corp. (Com.) .....
VKL	Vickers, Ltd. (Amer. Dep. Rec. Ord. Reg.) ..
VKP	Viking Pump Co. (Com.) .....
VKP Pr WW	Viking Pump Co. (Pfd., with Wts.) .....
VR V	Virginian Railway Co. (The) (VTC Com.)..
VEL	Vlchek Tool Co. (The) (Com.) .....
VOT	Vogt Manufacturing Corp. .....
VOC	V. O. C. Holding Co., Ltd. (Amer. Dep. Rec. for Ord.) (Reg.) .....
VOC PR	V. O. C. Holding Co., Ltd. (Amer. Dep. Rec. for Pref.) (Reg.) .....

W

WAO	Waco Aircraft Co. (The) .....
WSO	Wabasso Cotton Co., Ltd. (Com.) .....
WGR	Wagner Electric Corp. (Com.) .....
WHL	Wahl Co. (The) (Com.) .....
WHL Pr	Wahl Co. (The) (7% Pfd.) .....
WAT A	Waitt & Bond, Inc. (Class "A" Stock).....
WAT B	Waitt & Bond, Inc. (Class "B" Stock).....
WAG	Walgreen Co. (Com.) .....
WAG WS	Walgreen Co. (Warrants) .....
WLR	Walker Mining Co. .....
WWK A	Waltham Watch Co. ("A" Com.) .....
WWK B	Waltham Watch Co. ("B" Com.) .....
WWK Pr	Waltham Watch Co. (Pfd.) .....

WWK P Pr	Waltham Watch Co. (Prior Pfd.)
WAL Pr	Walworth Co. (6% Pfd.)
WAL DB R	Walworth Co. (Debenture Rights)
WAM	Wamsutta Mills
WRL	Warchel Corporation (Com.)
WRL Pr	Warchel Corporation (Conv. Pref.)
WWR	Warner Company (Com.)
WGL	Washington Gas Light Co.
WAS	Washington Oil Co.
WAK	Waukesha Motor Co.
WAY	Wayagamack Pulp & Paper Co., Ltd. (Com.)
WPY	Wayne Pump Co. (The) (Com.)
WGJ	Welch Grape Juice Co. (Com.)
WGJ Pr	Welch Grape Juice Co. (Pfd.)
WDN	Wenden Copper Mining Co.
WCL	West Coast Life Insurance Co.
WSX	Western Air Express Corp (Com.)
WST A	Western Auto Supply Co. ("A" Com.)
WST A COD	Western Auto Supply Co. (COD for "A" Com.)
WCF	Western Canada Flour Mills Co., Ltd. (Com.)
WCF Pr	Western Canada Flour Mills Co., Ltd. (6½% Pfd.)
WGE	Western Grocer Co. (Com.)
WM 1 Pr	Western Maryland Rwy. Co. (7% 1st Pfd.).
WMS	Western Massachusetts Co.'s (Com.)
WP Pr	Western Power Corp. (Pfd.)
WG Pr	Western States Gas & Elec. Co. (Pfd.)
WTB V	Western Tablet & Stationary Corp. (VTC Com.)
WET	Westfield Manufacturing Co. (Com.)
WJS	West Jersey & SeaShore Rwy. Co.
WMR	Westmoreland Coal Co.
WMR COD	Westmoreland Coal Co. (COD.)
WPT	West Point Mfg. Co.
WTU Pr	West Texas Utilities Co. ($6 Pfd.)
WVP	West Virginia Pulp & Paper Co. (Com.)
WWT	Wheatsworth, Inc. (Com.)
WL PL	Wheeling & Lake Erie Rwy. Co. (The) (7% Prior Lien)
WHX	Wheeling Steel Corp. (Com.)
WHX Pr A	Wheeling Steel Corp (8% Conv. Pfd. "A")

WHX Pr B	Wheeling Steel Corp. (10% Conv. Pfd. "B").
WSW DB R	White Sewing Machine Corp. (Deben. Rights)
WSL Pr	White Star Line, Ltd. (Amer. Dep. Rec. 6½% Pref. Reg.)
WSF	White Star Refining Co. (Com.)
WTM Pr	Whitman (Wm.) Co., Inc. (7% Pfd.)
WLD	Widlar Food Products Co. (Com.)
WJ	Wieboldt Stores, Inc. (Com.)
WBU	Will & Baumer Candle Co., Inc. (Com.)
WBU Pr	Will & Baumer Candle Co., Inc. (Pfd.)
WHT	Williams Oil-O-Matic Heating Corp. (Com.).
WLM	Williams (R. C.) & Co., Inc.
WLL	Wil-low Cafeterias, Inc. (Com.)
WLL Pr	Wil-low Cafeterias, Inc. (Conv. Pref.)
WIS Pr	Wisconsin Power & Light Co. (7% Pfd.)
WLJ	Wilson-Jones Co. (Com.)
WEC	Winnipeg Electric Co., Ltd. (Com.)
WEN CV Pr	Winton Engine Co. (The) (Conv. Pref.)
WEN	Winton Engine Co. (The) (Com.)
WSC	Witherow Steel Corp. (Com.)
WOL	Wolverine Portland Cement Co. (Com.)
WOV	Wolverine Tube Co. (Com.)
WO	Woodley Petroleum Co. (Com.)
WRU A	Woodruff & Edwards, Inc. (Dela.) (Part. "A")
WEL V	Worcester Electric Light Co. (VTC)
WOS	Worcester Salt Co.
WOR A	Worth, Inc. (Conv. "A")
WRT	Wright Hargreaves Mines, Ltd.

Y

Y	"Y" Oil & Gas Co. (Com.)
YS	Yates Amer. Machine Co. (Com.)
YS P Pr	Yates Amer. Machine Co. (Part. Pref.)
YNY	Yellow Taxi Corp., N. Y.
YO	Young (J. S.) Co. (Com.)
YO Pr	Young (J. S.) Co. (7% Pfd.)
YK	Yukon Gold Co.

Z

ZOT	Zonite Products Corp. (Com.)
ZOT R	Zonite Products Corp. (Rights)

Bonds

A

ABB	Abbott's Dairies, Inc. 6% M-S 1942 .....
AMB	Agricultural Mtge. Bank (Rep. of Col.) 7% J-J 15, 1947, 7% A-O 1946 .....
ALP	Alabama Power Co. 5% M-N 1956 .....
ALP	Alabama Power Co. 4½% J-D 1967 .....
AP	Allied Packers, Inc. 6% J-J 1939, 8% J-J 1939 .....
AA	Aluminum Co. of America 5% M-S 1952 ....
ALI	Aluminum, Ltd. 5% J-J 1948 .....
AAG A WW	American Aggregates Corp. 6% "A" F-A 1943 (with Wts.) .....
ACX	American Commonwealth Power Corp. 6% M-N 1949 .....
AGC	American Gas & Electric Co. 5% M-N 2028..
APY	American Power & Light Co. 6% M-S 2016..
ADT	American Radiator Co. 4½% M-N 1947.....
ARL	American Rolling Mill Co. 5% J-J 1948 ....
ASG	American Seating Co. 6% J-J 1936 .....
ASV WW	American Solvents & Chemical Corp. 6½% M-S 15 1936 (with Wts.) .....
ASV XW	American Solvents & Chemical Corp. 6½% M-S 15 1936 (without Wts.) .....
ANT WW	Andian National Corp., Ltd. 6% M-S 1940 (with Wts.) .....
ANT XW	Andian National Corp., Ltd. 6% M-S 1940 (without Wts.) .....
AEW	Appalachian Electric Power Co. 5% M-N 1956 .....
AKP	Arkansas Power & Light Co. 5% A-O 1956..
ACK	Armstrong Cork Co. 7% J-J 1931 .....
ALD	Arnold Print Works 6% F-A 1941 .....
ADY WW	Associated Dyeing & Printing Corp. 6% M-N 1938 (with Wts.) .....
AGA WW	Associated Gas & Elec. Co. 4½% M-S 1948 (with Wts.) .....
AGA XW	Associated Gas & Elec. Co. 4½% M-S 1948 (without Wts.) .....

AGA	Associated Gas & Electric Co. 5½% F-A 1977
ASH	Associated Simmons Hardware Co.'s 6½% J-J 1933
AOT C	Associated Telephone Utilities Co. 5½% "C" M-N, 1944
AFU 17%	Atlantic Fruit & Sugar Co. 7% "A" J-J 1949
AFU 7%	Atlantic Fruit & Sugar Co. 7% Income J-J 1949
AFU 8%	Atlantic Fruit & Sugar Co. 8% Income Bonds 1949
AWO	Atlas Plywood Corp. 5½% M-N 1943

B

BKE	Bank of East Prussian Landowners Assn. 6% A-O 1930 (Parti. Ctfs.)
BSV WW	Bates Valve Bag Corp. 6% F-A 1942 (with Wts.)
BEO	Beacon Oil Co. 6% M-N 1936 (with Wts.)
BPC	Beaver Products Co., Inc. 7½% J-J 1942
BLG	Belgo-Canadian Paper Co., Ltd. 6% J-J 1943
BTC A	Bell Telephone Co. of Canada 5% "A" M-S 1955
BTC B	Bell Telephone Co. of Canada 5% "B" J-D 1957
BMR M	Boston & Maine R. R. 6% "M" J-J 1933
BCG	Boston Consolidated Gas Co. 5% F-A 1947
BU A	Brooklyn Borough Gas Co. 5% "A" F-A 1967
BGE A	Buffalo General Electric Co. 5% "A" F-A 1956
BRW	Burmeister & Wain, Ltd. of Copenhagen 6% J-J 1940

C

CCT A	Canada Cement Co., Ltd., 5½% "A" M-N 1947
CLR E	Canadian Northern Rwy. Co. 7% "E" M-N 1935
CTA A WW	Capital Administration Co. 5% "A" J-D 1953 (with Wts.)
CTA A XW	Capital Administration Co., Ltd., 5% "A" J-D 1953 (without Wts.)

CGV A WW	Carolina-Georgia Service Co. 6% "A" J-D 1942 (with Wts.)
CPO	Carolina Power & Light Co. 5% A-O 1956.
CTL A WW	Central Atlantic States Service Corp. 6% "A" M-S 1943 (with Wts.)
CTL WW	Central Atlantic States Service Corp. 6½% M-S 1933 (with Wts.)
CNK A	Central Bank of German State & Prov. Banks, Inc. 6% "A" F-A 1952
CNK B	Central Bank of German State & Prov. Banks, Inc. 6% "B" A-O 1951
GO C	Central of Georgia Rwy. Co. 5% "C" A-O, 1959
CSE	Central States Elec. Corp. 5% J-J 1948
CSE WW	Central States Elec. Corp. 5½% M-S 15, 1954 (with Wts.)
CUT	Central States Power & Light Corp. 5½% J-J 1953
CFT	Chicago Artificial Ice Co. 6% M-N 1938
ST	Chicago, Mil. & St. Paul Rwy. 4% J-D 1925 (Franc)
NW	Chicago & Northwestern Rwy. Co. 4¾% "A" M-N 1949 "WI"
CGG	Chicago Pneumatic Tool Co. 5½% A-O 1942
CHR COD	Chicago Railway Co. COD. for 5% 1927
CDI	Childs Co. 5% A-O 1943
CLE A	Chilean Cons. Municipal Loan 7% "A" M-S 1960
CIG A	Cigar Stores Realty Holdings, Inc. (5½% "A" J-J 1949)
CCE A	Cincinnati Street Rwy. 5½% "A" A-O 15th 1952
CSV	Cities Service Co. 5% M-S 1966
CIV	Cities Service Gas Co. 5½% M-N 1942
CGI	Cities Service Gas Pipeline Co. 6% J-J 1943
CSW	Cities Service Power & Light Co. 5½% M-N 1952
CIU	City of Frankfort-on-Main 6½% M-N 1953.
CFH	City of Hanover (Germany) 7% M-N 1939 "WI"
CLI	City of Lima (Rep. of Peru) 6½% M-S 1958
CSR	City of Saarbruecken 7% A-O 1935

CSF	City of Santa Fe (Argen. Rep.) 7% A-O 1945
CIO	City of Santiago (Chile) 7% J-J 2 1949 ....
CVX	Cleveland Elec. Illum. Co. 7% F-A 1941, 5% "A" M-N 1954, 5% "B" A-O 1961 .....
CLV	Cleveland Terminals Bldg. Co. 6% J-D 1941
CGM	Columbia Graphophone Co. 8% F-A 1925 ...
CRV	Columbia River Longview Bridge Co. 6½% A-O 1953, 7% A-O 1943 .....
CDM A	Columbus Dela. & Marion Elec. Co. 6% "A" A-O 1935 .....
CRE	Commander-Larabee Corp. 6% J-J 1941 ....
CPT	Commerz-und-Privat Bank 5½% M-N 1937.
CWE D	Commonwealth Edison Co. 4½% "D" J-J 1957 .....
CNU	Conn. Light & Power Co. 7% M-N 1951 ....
CCP	Cons. Copper Mines Corp., 8% M-N 1936 ...
CGB	Cons. Gas, Elec. Lt. & Pw. Co. of Balto. 5½% "E" M-S 1952, 5% "F" J-D 1965, 4¾% "G" M-S 1969 .....
CMU	Cons. Municipalities of Baden 7% J-J 1951 .
CNB	Consolidated Publishers, Inc. 6¾% J-J 1936
CTX	Consolidated Textile Corp. 8% J-D 1941 ....
CWY A	Consolidated Water Pw. & Paper Co. 5½% "A" F-A 1947 .....
CUI	Consumers Power Co. (4½% M-N 1958) ...
CTG A	Continental Gas & Electric Corp. 6½% "A" A-O 1964 .....
CTG A	Continental Gas & Electric Corp. 5% "A" F-A 1958 .....
CT	Continental Oil Co. 5¼% M-N 1937 .....
CLX A WW	Continental Securities Corp. 5% "A" M-N 1942 (with Wts.) .....
CMY	Cosgrove-Meehan Coal Corp. 6½% M-N 1945
CBT A	Cuban Telephone Co. 7½% "A" M-S 1941..
CTO	Cuban Tobacco Co. 5% J-D 1944 .....
CUD	Cudahy Packing Co. 5% J-D 1946, 5½% A-O 1937 .....

D

DMU	Danish Cons. Municipal Loan 5½% M-N 1955, 5% F-A 1953 .....

DAN	Danzig Port & Waterways Board 6½% J-J 1952
DAV A	Davies (William) Co., Inc. 6% "A" M-N 1942
DEL	DeLaval Separator Co. 8% M-S 1931
DLO	Delaware Electric Power Co. (5½% J-J 1959)
DEF A	Denver & Salt Lake Rwy. Co. 6% "A" J-J 1950
DEF	Denver & Salt Lake Rwy. Co. 6% Income Bonds 1960
DVC	Dept. of Cauca Valley (Rep. of Col.) 7% J-D 1948
DEG	Detroit City Gas Co. 6% "A" J-J 1947, 5% "B" A-O 1950
DT E	Detroit Edison Co. 6% J-D 15 1932, 7% F-A 1929, 7% M-S 1930
DIT	Detroit International Bridge 6½% F-A 1952, 7% F-A 1952
DIG A WW	Dixie Gulf Gas Co. 6½% "A" M-S 1937 (with Wts.)

E

ETO	Eastern Terminal Office Bldg. 6¼% F-A 1943
EPG	Electric Power Corp. (Germany) 6½% A-O 1953
ELC C	Electric Public Service Co. 5½% "C" A-O 1942
ENU	El Paso Natural Gas Co. (6½% J-D 1938)
ENU WW	El Paso Natural Gas Co. (6½% J-D 1943 with Wts.)
EMO	Empire Oil & Refining Co. 5½% A-O 1942
ERO A WW	Ercole Marelli Elec. Mfg. Co. (6½% "A" M-N 1953 with Wts.)
EMT A	European Mtge. & Investment Corp. 7½% "A" M-N 1950
EMT C	European Mtge. & Investment Corp. 7% "C" M-S 15 1967

F

FAB A	Fabrics Finishing Corp. 6% "A" J-J 1939 ...
FKM	Fairbanks, Morse & Co. 5% F-A 1942 .....
FNM	Farmers National Mtge. Institute (7% A-O 1963) .....
LB	Federal Land Bank 5% 1941, 4½% M-N 1942, 4½% J-J 1943, 4½% J-J 1953, 4¾% J-J 1954, 4¼% J-J 1956 .....
FDS	Federal Sugar Refining Co. 6% M-N 1933..
FWS	Federal Water Service Corp. 5½% M-N 1954
FRM	Finland Residential Mtge. Bank 6% M-S 1961 .....
FCM	Firestone Cotton Mills 5% M-S 1948 .....
FIT	Firestone Tire & Rubber Co. of Cal. 5% M-S 1942 .....
FBO WW	First Bohemian Glass Works, Ltd., 7% J-J 1957 (with Wts.) .....
LBC	First Joint Stock Land Bank of Chicago 5½% M-N 1951, 5% 1951 .....
FK	Fisk Rubber Co. (The) 5½% J-J 1931 .....
FPW	Florida Power & Light Co. 5% J-J 1954 ....
FOL	Foltis-Fisher, Inc., 6½% J-J 1939.....
FSP	Free State of Prussia 6½% M-S 15, 1951, 6% A O 15, 1952 .....

G

GLT	Galena-Signal Oil Co. 6% A-O 1933.....
GLK	Garlock Packing Co. (The) 6% A-O 1939...
GTW	Gateway Bridge Co. 7% A-O 1938 (with Com. Stock) .....
GPC	Gatineau Power Co. 6% J-D 15, 1941, 5% J-D 1956 .....
GEL	Gelsenkirchen Mining Corp. 6% M-S 1934..
GIV A WW	General American Investors Co., Inc. 5% "A" F-A 1952 (with Warrants) .....
GIV A XW	General American Investors Co., Inc., 5% "A" F-A 1952 (without Wts.) .....
GT	General American Tank Car Corp. 7½% A-O 1931 .....
GIM	General Ice Cream Corp. 6½% J-J 1935 ....

GID	General Industrial Alcohol Corp. 6½% M-N 1944
GLL WW	General Laundry Machinery Corp. 6½% J-D 1937 (with Wts.)
GPV	General Public Service Corp. 5% J-J 1953
GHY	General Rayon Co., Ltd., 6% "A" J-D 1948 (with "A" Stock & Warrants)
GTH	General Theatres Equipment, Inc., 6% J-J 1944
GVD WW	General Vending Corp. 6% F-A 15, 1937 (with Wts.)
GWW B	General Water Works & Elec. Corp. 6% "B" A-O 1944
GLR A	Georgia & Florida Railroad 6% "A" M-N 1946
GOW	Georgia Power Co. 5% M-S 1967
GMN	German Cons. Municipal Loan 7% F-A 1947
GMN	German Consolidated Municipal Loan 6% J-D 1947
GOX	Godchaux Sugar, Inc., 7½% J-D 1941
GOO	Goodyear Tire & Rubber Co. (of Cal.) 5½% F-A 15, 1931
GON	Gov't of Newfoundland 5% J-J 1952
GNT	Grand Trunk Rwy. of Canada 6½% F-A 1936
GNW	Green Mountain Power Corp. 5% F-A 1948.
GHP	Ground Gripper Shoe Co., Inc., 6% J-J 1944
GUT A	Guantanamo & Western R. R. Co. 6% "A" J-J 1958
GUD WW	Guardian Investors Corp. 5% "A" M-N 1948 (with Wts.)
GOP	Gulf Oil Corp. of Pa. 5% J-D 1937, 5% F-A 1947
GTU A	Gulf States Utilities Co. 5% "A" M-S 1956

H

HMU	Hamburg Electric Co. 7% M-N 1935
HEU	Hamburg Elevated, Underground & Street Rwys. Co. 5½% J-D 1938
HNA	Hanna Co. (The M. A.) 6% F-A 1934

HAN	Hanover State Credit Institute 6% J-J 15, 1931
HOD	Hood Rubber Co. 7% J-D 1936, 5½% A-O 15, 1936
HWO WW	Hotel Waldorf-Astoria Corp. 7% M-S 1954 (with Wts.)
HOSA	Houston Gulf Gas Co. 6% "A" A-O 1943
HOS WW	Houston Gulf Gas Co. 6½% A-O 1943 (with Wts.)
HSS XW	Hugo Stinnes Corp. (Md. Corp.) 7% J-J 1936 (without Wts.)
HGO XW	Hugo Stinnes Industries, Inc. (Md. Corp.) 7% A-O 1946 (without Wts.)
HGI AC	Hungarian-Italian Bank, Ltd., 7½% "AC" A-O 1963
HY	Hydraulic Steel Co. 8% M-N 1930
HFO A	Hygrade Food Products Corp. 6% "A" A-O 1949
HFO B	Hygrade Food Products Corp. 6% "B" J-J 1949

I

IPW	Illinois Pw. & Lt. Corp. 5½% "B" J-D 1954, 5½% M-S 1957
IPX	Independent Oil & Gas Co. 6% M-S 15, 1939.
IGS	Indiana General Service Co. 5% J-J 1948
IDM	Indiahoma Refining Co. 8% J-J 1934
IOW A	Indianapolis Pw. & Lt. Co. 5% "A" J-J 1957.
IBF	Industrial Mtge. Bank of Finland 7% J-J 1944
IUT	Inland Utilities, Inc. 6% J-D 1934
IRT COD	Interborough Rapid Transit Co. COD for 8% M-S 1922 ext. into 7% 1932
IRT	Interborough Rapid Transit Co. 8% M-S 1932
ICW A WW	Intercontinents Power Co. 6% "A" J-D 1948 (with Wts.)
ISW E	International Power Securities Corp. 7% "E" F-A 1957
ISX	International Securities Corp. of Amer. 5% J-D 1947

ING WW	Interstate Natural Gas Co., Inc., 6% J-J 1936 (with Wts.)
ING XW	Interstate Natural Gas Co., Inc., 6% J-J 1936 (without Wts.)
ITW	Interstate Power Co. (Dela.) 5% J-J 1957, 6% J-J 1952
IP V F	Interstate Public Service Co. 4½% "F" M-S 1958
IV A WW	Investment Bond & Share Corp. 5% "A" J-D 1947 (with Wts.)
INV A WW	Investment Co. of America 5% "A" A-O 1947 (with Wts.)
INV A XW	Investment Co. of America 5% "A" A-O 1947 (without Wts.)
INQ A WW	Investors Equity Co., Inc., 5% "A" J-D 1947 (with Wts.)
INQ A XW	Investors Equity Co., Inc., 5% "A" J-D 1947 (without Wts.)
IO A	Iowa-Nebraska Lt. & Pw. Co. 5% "A" M-N 1957
IPR A	Iowa Power & Light Co. 4½% "A" M-S 1958
IHY	Isarco Hydro-Electric Co. 7% M-N 1952
ISO WW	Isotta Fraschini 7% J-D 1942 (with Wts.)
ISO XW	Isotta Fraschini 7% J-D 1942 (without Wts.)
ITS A WW	Italian Superpower Corp. 6% "A" J-J 1963 (with Wts.)
ITS	Italian Superpower Corp. (Dela.) 6% J-J 1963

J

JE	Jeddo-Highland Coal Co. 6% M-N 1941

K

KEP A	Kansas Electric Power Co. 6% "A" J-D 1931
KGE A	Kansas Gas & Electric Co. 6% "A" M-S 2022
KDS	Kaufmann Dept. Stores Securities Corp. 5¼% F-A 1936
KLV XW	Kelvinator Corp. 6% J-J 1936 (without Wts.)
KMO	Kemsley, Millbourn & Co., Ltd., 6% M-S 1942
KPS	Keystone Public Service Co. (5% M-N 1978)

KTY A	Keystone Telephone Co. of Phila. 5½% "A" J-D 1955
KWW B	Keystone Water Works & Elec. Corp. 5½% "B" M-N 1948
KIM A	Kimberly-Clark Corp. 5% "A" J-J 1943
KON B	Kingdom of Netherlands 6% "B" M-S 1972
KRO	Kingdom of Roumania Monopolies Institute 7% F-A 1959
KOP	Koppers Gas & Coke Co. 5% J-D 1947

L

LGL	Laclede Gas Light Co. 5½% F-A 1935
LP A	Lehigh Power Securities Corp. 6% "A" F-A 2026
LTZ WW	Leonhard Tietz, Inc., 7½% J-J 1946 (with Wts.)
LTZ XW	Leonhard Tietz, Inc., 7½% J-J- 1946 (without Wts.)
LEX WW	Lexington Telephone Co. 6% M-S 1944 (with Wts.)
LJ	Libby, McNeill & Libby 5% A-O 1942
LWL	Liggett-Winchester-Ley Realty Corp. 7% M-S 1942
LSG	Lone Star Gas Corp. 5% M-N 1942
LLT	Long Island Lighting Co. 6% J-J 1945
LNG	Los Angeles Gas & Elec. Corp. 7% J-D 1930, 5% M-S 1961
LOL	Louisiana Power & Light Co. 5% J-D 1957
LKS	Lukens Steel Co. 8% M-N 1940

M

MPC A	Manitoba Power Co., Ltd., 5½% "A" J-J 1951
MNY WW	Mansfeld Mng. & Smelt. Co. 7% M-N 1941 (with Wts.)
MNY XW	Mansfeld Mng. & Smelt. Co. 7% M-N 1941 (without Wts.)
MSU	Massachusetts Gas Co.'s 5½% J-J 1946
MSE	Massey-Harris Co., Ltd., 5% A-O 15, 1947
MHY	McCallum Hosiery Co. 6½% A-O 1941

MTU WW	McCord Radiator & Mfg. Co. 6% F-A 1943 (with Wts.) .....
MEL	Melbourne Elec. Supply Co., Ltd., 7½% J-D 1946 .....
MPG	Memphis Natural Gas Co. 6% F-A 1943 (with stock purchase privilege) .....
MTT D	Metropolitan Edison Co. 4½% "D" M-S 1968
MEX	Mexican Government:
	City of Mexico 5% Sterling Loan of 1889 (J-A-J-O) Cons. 3 Silver Bonds of 1886 (J. 30—D. 31) .....
	5% Int. Redeemable Bonds of 1894 (M-S) (Perpetual) .....
MY	Milwaukee Elec. Rwy. & Lt. Co. 7½% J-D 1941 .....
MGT	Milwaukee Gas Light Co. 4½% M-S 1967 ..
MSA C	Minnesota & Ontario Paper Co. 6% "C" M-N 1950 .....
MG	Minnesota Pw. & Lt. Co. 4½% M-N 1978 ...
MSR WW	Mississippi River Fuel Corp. (Del.) 6% F-A 15, 1944 (with Wts.) .....
MLP A	Montreal Light, Heat & Pw. Cons. 5% "A" A-O 1951 .....
MRS	Morris & Co. 7½% M-S 1930 .....
MPO	Mtge. Bank of Bogota (Rep. of Col.) 7% M-N 1947 (Issue of May, 1927) .....
MPO N	Mtge. Bank of Bogota (Rep. of Col.) 7% A-O 1947 (Issue of October, 1927) .....
MOZ	Mtge. Bank of Chile 6% J 30—D 31, 1931 ..
MOZ	Mtge. Bank of Chile 6% M-N 1962 .....
MBD IX	Mtge. Bank of the Kingdom of Denmark 5% "IX" J-D 1972 .....
MLG A	Municipal Gas Co. of the City of Albany 5½% "A" M-S 2022 .....
MOM	Municipality of Medellin (Rep. of Col.) 7% J-D 1951 .....
MUS WW	Munson Steamship Line (6½% A-O 1937 with Wts.) .....

N

NGS A	Narragansett Elec. Co. 5% "A" J-J 1957 ...
NHN	Nathan Strauss, Inc. 6% M-N 1938 .....

NDP	National Distillers Products Corp. 6½% J-D 15, 1935
NFU A	National Food Products Corp. 6% "A" M-N, 1944
NPL A	National Power & Light Co. 6% "A" F-A 2026
NPU	National Public Service Corp. 5% F-A 1978
NRU	National Rubber Machinery Co. 6% J-J 1943
NLL	National Toll Bridge Co. 6% J-J 1939
NTJ	National Trade Journal, Inc. (6% M-N 1938)
NBK A	Nebraska Power Co. 6% "A" M-S 2022
NEI	Neisner Bros. Realty, Inc. (6% J-D 15, 1948)
NEE	New England Gas & Elec. Asso. 5% M-S 1947, 5% J-D 1948
NOY	New Jersey Power & Light Co. 5% F-A 1956
SL C	New York, Chicago & St. Louis R. R. Co. 6% "C" M-N 1931
NYF A WW	New York & Foreign Investing Corp. (5½% "A" J-D 1948 with Wts.)
NHF-P	N. Y., N. H. & H. R. R. Co. Ext. 7% A-O 1925 (Paris Depositary)
NYP	New York Power & Light Corp. 4½% A-O 1967
NF	Niagara Falls Power Co. 6% M-N 1950
NIP	Nippon Electric Pw. Co., Ltd., 6½% J-J 1953
NAW A	North American Water Works & Elec. Corp. (6% "A" M-N 1938)
NI C	Northern Indiana Public Service Co. 5% "C" M-N 1966
NPW	Northern States Power Co. (Minn.) 6½% M-N 1933
NXU WW	Northern Texas Utilities Co. 7% J-J 1935 with Wts.)
NQ	Nova Scotia Steel & Coal Co., Ltd., 6% Perpetual Deb. Stock dated July 1, 1909 (J-J)

O

OHP	Ohio Power Co. 4½% "D" J-D 1956, 5% "B" J-J 1952
ORE	Ohio River Edison Co. 5% J-D 1951
OSG WW	Osgood Co. (The) 6% J-D 1938 (with Wts.)

OSO	Oswego Falls Corp. 6% J-J 1941.....
OSW	Oswego River Power Corp. 6% J-D 1931 ....
OTW A	Ottawa Lt., Ht. & Pw. Co., Ltd., 5% "A" A-O 1957 .....

P

PCG E	Pacific Gas & Elec. Co. 4½% "E" J-D 1957
PIV WW	Pacific Investing Corp. 5% "A" J-J 1948 (with Wts.) .....
PPU	Pacific Public Service Co. 6% M-S 1944 ...
PWL WW	Pacific Western Oil Co. (6½% M-N 1943 with Wts.) .....
PME	Parmalee Transportation Co. 6% A-O 1944..
PTI	Park & Tilford, Inc., 6% J-D 1936 .....
POE XW	Penn-Ohio Edison Co. 6% "A" M-N 1950 (without Wts.) .....
POE B	Penn-Ohio Edison Co. (5½% "B" F-A 1959)
PDK WW	Pennsylvania Dock & Warehouse Co. 6% F-A 1949 (with Wts.) .....
PGL	Pennsylvania Glass Sand Corp. 6% J-J 1952
PPL	Pennsylvania Power & Light Co. 5% "B" A-O 1952, 5% "D" M-S 1953 .....
PWT A	Pennsylvania Water Service Co. 5% "A" F-A 1967 .....
PLW	Peoples Light & Power Corp. 5% J-J 1979
PEL	Philadelphia Electric Co. 5½% M-N 1953, 6% J-D 1941, 5½% J-D 1947, 5% J-J 1960
PEW	Philadelphia Electric Pw. Co. 5½% F-A 1972
PV	Philadelphia Rapid Transit Co. 6% M-S 1962
PSC	Philadelphia Suburban Counties Gas & Elec. Co. 4½% N-M 1957, 4½% M-N 1957 (Additional Issue) .....
P WW	Phillips Petroleum Co. 7½% A-O 1931 (with Wts.) .....
P XW	Phillips Petroleum Co. 7½% A-O 1931 (without Wts.) .....
PIK A	Pickering Lumber Co. 6% "A" M-N 1946 ..
PW A	Pittsburgh & West Virginia Rwy. Co. (4½% "A" J-D 1958) .....
PW B	Pittsburgh & West Virginia Rwy. Co. (4½% "B" A-O 1959 .....

PC	Pittsburgh Coal Co. 6% F-A 1949
PSW	Pittsburgh Screw & Bolt Corp. 5½% J-D 1947
PG	Pittsburgh Steel Co. 6% F-A 1948
POR	Poor & Company 6% A-O 15, 1939
HVK	Port of Havana Dock Co. 7% J-J 1937
PTO E	Potomac Edison Co. (The) 5% "E" M-N 1956
POU XW	Potrero Sugar Co. 7% M-N 15, 1947 (without Wts.)
PW X	Power Corp. of N. Y. 5½% M-N 1947
PSL	Pressed Steel Car Co. (5% J-J 1943)
PGM	Procter & Gamble Co. 4½% J-J 1947
PBU	Province of Buenos Aires (Argen. Rep.) 7% J-J 1936, 7½% M-N 1947, 7% A-O 1952
POH	Province of Hanover 6½% F-A 1949
PVZ	Province of Mendoza (Argen. Rep.) 7½% J-D 1951
PUB	Public Service Corp. of N. J. 7% J-D 1941
PSI	Public Service Co. of No. Ill. 5% M-S 1931
PUW A	Puget Sound Pw. & Lt. Co. 5½% "A" J-D 1949
PQS	Punta Alegre Sugar Co. 6% A-O 1930

Q

QS A	Queens Borough Gas & Elec. Co. 5½% "A" A-O 1952
QS	Queens Borough Gas & Elec. Co. 4½% M-S 1958

R

RBZ	Reliance Bronze & Steel Corp. 6% A-O 1944
RMG	Reliance Management Corporation 5% "A" F-A 1954 (with Allot. Wts. & Stk. Pur. Wts.)
REM	Remington Arms Co., Inc. 5½% M-S 1930
RIL	Richfield Oil Co. of Calif. 5½% J-D 1931
RCP A	Rochester Central Power Corp. 5% "A" M-S 1953
RUB	Ruberoid Co. 8% 1936

RUH A	Ruhr Gas Corp. 6½% "A" A-O 1953 .....
RUS	Russian Gov't 5½% J-D 1921, 6½% J-J 1919 and Nat. City Bank COD for both .....
RYE	Ryerson (Joseph T.) & Son, Inc., 5% M-N 1943 .....

S

SBN	Saar Basin Cons. Counties 7% A-O 1935 ....
SGK	St. Louis Gas & Coke Corp. 6% J-D 1947 ...
SNO B	San Antonio Public Service Co. 5% "B" J-J 1958 .....
SJL B	San Joaquin Lt. & Pw. Corp. 6% "B" M-S 1952 .....
SAU A	Sauda Falls Co., Ltd., 5% "A" A-O 1955 ...
SRE	Schulte Real Estate Co., Inc., 6% J-D 1935 (with Com. Stock) .....
SRE X	Schulte Real Estate Co., Inc., 6% J-D 1935 (without Com. Stock) .....
SCR	Scripps (The E. W.) Co. 5½% F-A 1943 ...
SVD	Servel, Inc. (New Co.) 5% J-J 1948 .....
SWW A	Shawinigan Water & Power Co. 4½% "A" A-O 1967 .....
SAM	Shawsheen Mills 7% A-O 1931 .....
SSL	Sheffield Steel Corp. 5½% M-S 1948 .....
SUX WW	Shell Union Oil Corp. 5% A-O 1949 (with Wts.) .....
SRY	Sheridan-Wyoming Coal Co., Inc., 6% J-J 1947 .....
SIG WW	Silica Gel. Corp. (The) 6½% A-O 1932 (with Wts.) .....
SIM WW	Simmons Co. 5% 1944 (with Wts.) "WI" ...
SPK	610 Park Avenue Bldg. 6% J-J 1940 .....
SNR	Snider Packing Corp. 6% M-N 1932 .....
SO A	Solvay American Investment Corp. 5% "A" M-S 1942 .....
SOW	South Carolina Power Co. 5% J-J 1957 ....
SGA	Southern Natural Gas Corp. 6% J-J 1944 with Privilege) .....
SEP XW	Southeastern Pw. & Lt. Co. 6% M-S 2025 (without Wts.) .....

SCE	Southern California Edison Co. 5% F-A 1944, 5% J-J 1951, 5% M-S 1952
SUG	Southern California Gas. Co. 5% M-S 1957..
SUC	Southern California Gas Corp. 5% M-N 1937
SD	Southern Dairies, Inc., 6% M-N 1930
SOD WW	Southwest Dairy Products Co. (6½% M-N 1938 with Wts.)
SOG WW	Southern Gas Co. 6½% M-N 1935 (with Wts.)
SUP A	Southern Public Service Co. 6% "A" F-A 1943
SGT A	Southwestern Gas & Elec. Co. 5% "A" J-J 1957
SWU A	Southwestern Lt. & Pw. Co. 5% "A" F-A 1957
SWL A	Southwestern Pw. & Lt. Co. 6% "A" M-S 2022
SLY	Staley (A. E.) Mfg. Co. 6% M-S 1942
STD WW	Standard Investing Corp. 5% M-S 1937 (with Wts.)
STV	Standard Investing Corp. 5½% F-A 15, 1939
SWD	Standard Power & Light Corp. 6% F-A 1957
STF A	Standard Telephone Co. (5½% "A" M-N 1943)
SOF	State of Maranhao (Brazil) 7% M-N 1958..
SMB	State Mtge. Bank of Jugoslavia 7% A-O 1957
SOP	State of Parama (U. S. of Brazil) 7% M-S 15, 1958
SRJ	State of Rio de Janeiro 6½% J-J 1959
SWC	Strawbridge & Clothier 6% M-S 1942, 5% M-S 1948
SUZ	Stutz Motor Car Co. of Amer. 7½% A-O 1937
SUM	Sun-Maid Raisin Growers Assn. 6½% F-A 1942
SUN	Sun Oil Co. 5½% M-S 1939
SWX	Swift & Co. 5% A-O 15, 1932
SWS	Swiss Confederation 5½% F-A 1929

T

TAC	Temple Anthracite Coal Co. 6½% M-S 15, 1944

TEG	Texas Cities Gas Co. 5% M-N 1948 .....
TXP	Texas Power & Light Co. 5% M-N 1956 ...
THR	Thermoid Co. 6% F-A 1934 (with Wts.) ...
TLX	Trans-Lux Daylight Picture Screen Corp 6½% M-N 16, 1932 (with Wts. and without Wts.) .....
TRU	Tri-Utilities Corp. 5% M-S 1979 .....
TUY	Troy Laundry Machinery Co., Ltd., 8% J-J 1936 .....

U

ULE	Ulen & Company 6% F-A 1944 .....
UAI A WW	Union American Investing Corp. (5% "A" J-D 1948 with Wts. .....
UGS A WW	Union Gas Utilities, Inc., 6½% "A" M-N 1937 (with Wts.) .....
UGS A XW	Union Gas Utilities, Inc. 6½% "A" M-N 1937 (without Wts.) .....
USY A WW	United Elec. Service Co. 7% "A" J-D 1956 (with Wts.) .....
USY A XW	United Elec. Service Co. 7% "A" J-D 1956 without Wts.) .....
UIC	United Industrial Corp. 6½% M-N 1941....
ULR A	United Light & Rwys. Co. 6% "A" A-O 1952
ULR	United Light & Rwys. Co. 5½% F-A 1952..
UNO	United Oil Producers Corp. 8% J-J 25, 1931
UPR A WW	United Porto Rican Sugar Co. 6½% "A" M-S 1937 (with Wts.) .....
UHV	United Rwys. of Havana 7½% F-A 15, 1936
UNS A	United States Radiator Corp. 5% "A" F-A 1938 .....
RU	United States Rubber Co. 6½% M-S 1930 to 1940 inclusive .....
USWA WW	United Steel Works Corp. 6½% "A" J-J 1947 (with Wts.) .....
UPW	Utah Pw. & Lt. Co. 4½% F-A 1944 .....
UL WW	Utilities Power & Light Corp. 5% F-A 1959 (with Wts.) .....
UTL A	Utilities Service Co. (The) 6½% "A" F-A 1938 .....

V

VA	Valvoline Oil Co. 7% M-N 1937 .....
VI	Van Camp Packing Co., Inc., 6% A-O 1948
VEP A	Virginia Elec. & Power Co. 5% "A" A-O 1955 (Additional) .....

W

WMK	Wanamaker (John) Phila. 5½% A-O 1949..
WBP	Warner Bros. Pictures, Inc. 6% M-S 1939 ..
WZ	Wayne Coal Co. 6% M-S 1937 .....
WBM	Webster Mills 6½% J-D 1933 .....
WCO	Westvaco Clorine Products Corp. 5½% M-S 1937 .....
WVA	West Virginia (States) 3½% J-J 1936 .....
WNU	Western Newspaper Union 6% F-A 1944 ...
WP A	Western Power Corp. 6½% "A" J-D 1954, 5½% "A" J-J 1957 .....
WG A	Western States Gas & Elec. Co. of Cal. 6% "A" M-S 1947 .....
WTX A	West Texas Utilities Co. 5% "A" A-O 1957
WTT	Whittall (M. J.) Associates, Ltd., 5% J-D 1937 .....
WKN	Wickwire-Spencer Steel Corp. 7½% M-S 1932 .....
WC	Wisconsin Central Railway Co. 5% J-J 1930
WIS E	Wisconsin Power & Light Co. 5% "E" M-N 1956 .....

Y

YI	York Ice Machinery Corp. 6% A-O 1947, 6% J-D 1937 .....

Date Due

Apr 4 '33 F	MAR 14 '50		
NOV			
Dec 13 '33 RC			
Mar 14 '34 B			
May 11 '36 H			
Jun 1 '36 T			
NOV 3 '38			
FEB 2 '40			
RESERVED			
FEB 2 '40			
JAN 15 '41			
RESERVE			
4 '41			
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